

THE GLOBAL NEWSPAPER
Printed Simultaneously in
Paris, London, Zurich,
Hong Kong and Singapore

Herald Tribune

Published With The New York Times and The Washington Post

Algeria	6.00	Den.	13.30	Norway	5.50	N.Z.	1.00
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No. 31,140

PARIS, TUESDAY, APRIL 5, 1983

ESTABLISHED 1887

Anti-Americanism In Europe Target Of a U.S. Strategy

By Judith Miller
New York Times Service
WASHINGTON — The Reagan administration is devising a strategy to counteract what it views as growing anti-American tendencies among younger Europeans, according to government officials.
The target is a new generation of European leaders who share none of their parents' experience immediately after World War II, when Americans and Europeans worked closely to form a military alliance and reconstruct Europe's shattered economies.
Government and private public-opinion polls show that these young leaders, known here as the "successor generation," have a far less positive image of the United States, partly because their perceptions have been shaped by American involvement in Vietnam and by domestic crises like Watergate.
Government and private analysts are warning that the emergence of a far more skeptical generation of European leaders, if their attitudes persist, has troublesome implications for future cooperation between Western Europe and the United States.
Administration officials said President Ronald Reagan's presentation last Wednesday of a new negotiating proposal for limiting medium-range missiles was partly intended to respond to growing pressure from West European governments for the United States to demonstrate more flexibility in arms control talks with the Soviet Union.
European leaders have come under intense political pressure from many of their citizens, especially the young members of the European movements that oppose deployment of the new U.S. nuclear weapons in Europe.
Charles Z. Wick, director of the U.S. Information Agency, has raised several million dollars privately to double, from 15,000 to 30,000, youth exchanges between Europe and the United States in the next three years.
His agency is completing a poll in Italy that would test the successor-generation attitudes. A similar survey is planned for West Germany.
Peter Dailey, U.S. ambassador to Ireland, recently completed a re-



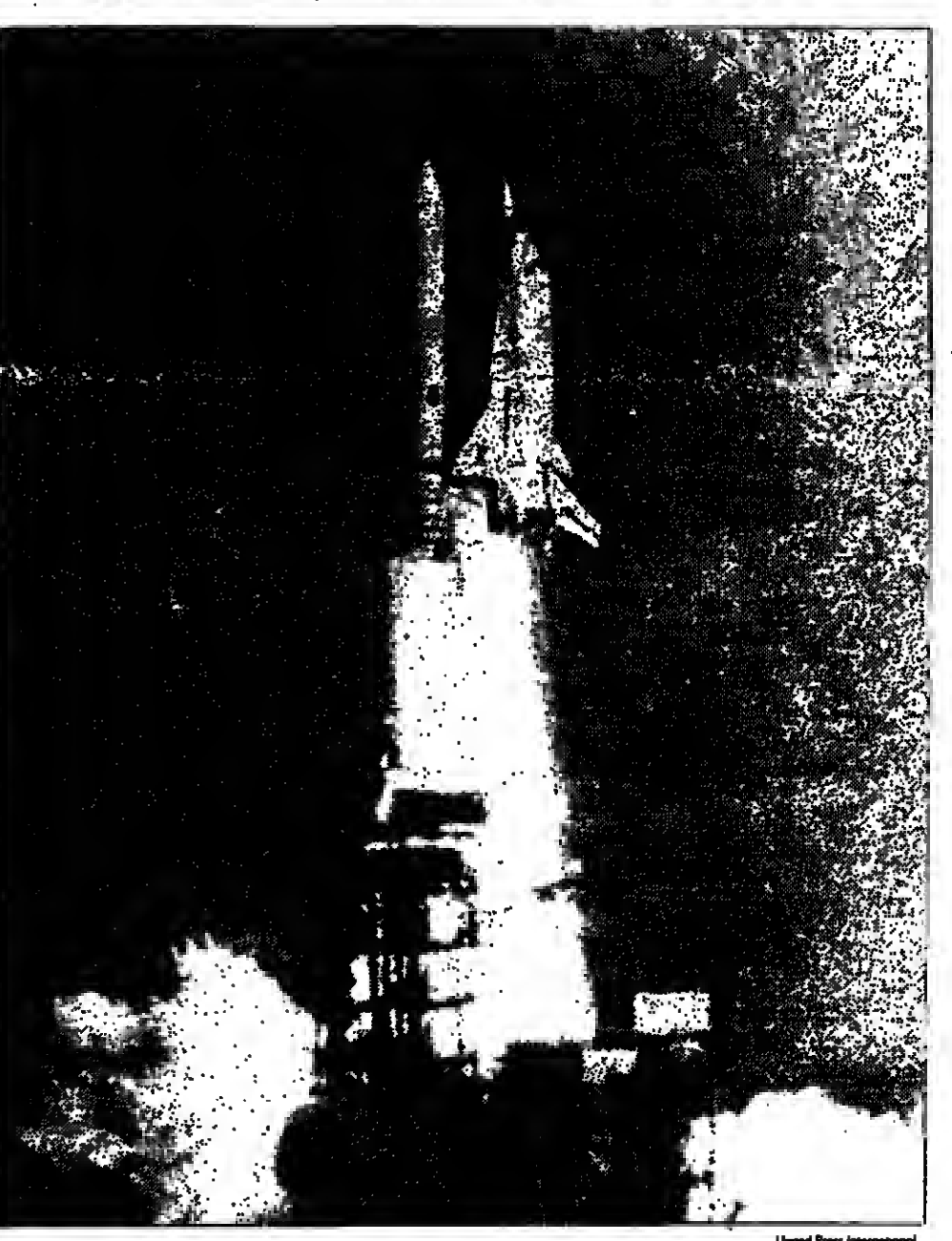
Thai soldiers who were wounded in fighting with Vietnamese troops along the Cambodian border north of Aranyaprathet, Thailand, are transferred to a hospital for treatment.

Hanoi's Troops Reportedly Cross Thai Border, Are Attacked by Jets

By William Branigin
Washington Post Service
BANGKOK — Vietnamese troops reportedly crossed into Thai territory in pursuit of Cambodian rebels and were bombed by a Thai fighter jet Monday as they waged their broadest offensive against resistance groups since invading Cambodia four years ago.
The bombing strikes would be the first time that Thailand has used its air force against Vietnamese troops at the border.
Vietnamese troops just across the border in Cambodia, meanwhile, were said to be battling to overcome last-ditch defenders at a rebel camp controlled by Prince Norodom Sihanouk.
The Thai fighter plane, identified by Thai reporters at the border as a U.S.-supplied F-5E, reportedly made two strikes against Vietnamese troops who had crossed into Thailand after attacking communist Khmer Rouge guerrillas in the Phnom Chat area of western Cambodia.
The Thai Supreme Command in

2d U.S. Space Shuttle Launched Into Orbit

By Thomas O'Toole
Washington Post Service
CAPE CANAVERAL, Florida — Four American astronauts flew the new space shuttle, Challenger, on its maiden flight into orbit Monday, ending almost three months of delays that included five separate postponements.
"We're very thankful that America's space fleet doubled today," said Alfred D. O'Hara, the launch operations director at the Kennedy Space Center after Challenger rocketed into cloudless Florida skies.
"We've got two veterans now, Columbia here on the ground and Challenger in space where it belongs," Mr. O'Hara added.
The astronauts — Paul J. Weitz, Karol J. Bobko, Story Musgrave and Donald H. Peterson — took off from Launch Pad 39 at 1:30 P.M. (1830 GMT), less than a tenth of a second behind schedule. Their 10-minute ascent into space was flawless, with out a sign of trouble with the three hydrogen-fueled engines that had three leaks in the last three months, causing four of the five launch postponements.
The four astronauts are to spend five days in space, deploying late Monday night what has been described as the most complex communications satellite ever built, then testing out the spaceworthiness of the new shuttle and preparing for spacewalks by Mr. Musgrave and Mr. Peterson.
Of the members of the six shuttle crews to fly so far, they will be the first to walk in space.
■ **Busy First Day Planned**
The first day in space was scheduled to be a busy one for the astronauts, United Press International reported from Cape Canaveral. They were to release the two-and-a-half-ton tracking and data relay satellite and its 16-ton rocket tug — 10 hours after launch.
Because of the unprecedented afternoon launch time for a shuttle, the crew members were allowed to sleep late to rest for their long day in space. They were awakened in their quarters at 9:10 A.M.
Winds 40,000 to 45,000 feet (12 to 14 kilometers) above the spacecraft had created the only element of uncertainty. Engineers had feared that high-altitude winds of varying directions and forces might put unacceptable stress on the rising craft.
But at 9:05 A.M., the launch control spokesman, Hugh Harris, reported that the latest analysis of data from weather balloons indicated that conditions were acceptable for flight.
The mission is the most challenging yet faced by shuttle pilots. Not only is the Challenger untried in space, but its cargo of a \$100-million satellite with gold-plated antennas is also brand new.
The mission also marks the first flight from the shuttle of a two-stage, computer-controlled rocket designed to push the satellite into a stationary orbit 22,300 miles (35,900 kilometers) over Brazil.



The U.S. space shuttle Challenger, blasting off Monday with a four-man crew aboard.

6 Die as Sikhs Battle With Police in Punjab

By William Claiborne
Washington Post Service
NEW DELHI — At least six persons and perhaps as many as 12 were killed and 40 were injured as Sikh militants battled Indian police and used cars, trees and human barricades to bring traffic across Punjab state to a virtual standstill Monday, authorities reported.
Other reports said that riot police had shot and killed 24 Sikhs and wounded 100 Monday. These reports could not be confirmed.
In several confrontations, police opened fire, resulting in the deaths of civilians. In one case, a violent clash last October outside the Parliament building here.
The Sikh fundamentalists are protesting Prime Minister Indira Gandhi's refusal to accept their demands for increased autonomy.
The eight-hour, widely scattered roadblock campaign was carried out in spite of the arrest Sunday of more than 1,800 activists of the Akali Dal, a militant Sikh party, under strict preventive-detention measures.
The 87-mile (140-kilometer) stretch of the Grand Trunk Road from the Sikhs' spiritual capital of Amritsar to Ludhiana was blocked by Akali protesters.
Reserve police units were sent to Punjab from the Indian capital with shoot-on-sight orders to prevent the burning of buses and cars. They refused, mainly to tear gas and came instead to break up rock-throwing crowds, according to the state-owned news agency, the Press Trust of India.
In Patiala, in the southeastern part of the state, a 20-year-old Sikh was killed when police shot into the crowd of a temple in response to gunfire from inside, according to the news agency.
A bomb blast rocked the center of Amritsar but caused no casualties, apparently because Sikh merchants had shuttered their shops in support of the statewide protest.
Harjand Singh Longowal, president of the Akali Dal, had warned that Sunday's preventive arrests, which he called "the murder of democracy," would inspire even more Sikh protests.
The Akali party, a reform movement founded in the early 1900s to purify the Sikh religion of Hindu influences, last month rejected attempts by Mrs. Gandhi to defuse the year-old confrontation.
The conflict has presented the prime minister with one of her most serious and potentially explosive domestic crises in the wake of Hindu-Muslim rioting in Assam.
Mrs. Gandhi has made concessions to three Sikh religious leaders: that Sikh hymns will be broadcast over All-India radio; that the sale of alcohol, tobacco and meat will be banned near the shrine temple in Amritsar; and that Sikhs will be permitted to carry kirpans, the long daggers they wear as religious practice, on board airplanes.
But Akali leaders are demanding that the government accept a manifesto withdrawing the boundaries of three Indian states to create an enlarged Punjab and giving it autonomous powers.

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Salvador Forces Suffer Big Losses in Ambush

By Dial Torgerson
Los Angeles Times Service
SAN SALVADOR — The Salvadoran Army suffered perhaps its worst defeat in a single episode in El Salvador's three-year civil war when leftist guerrillas ambushed elements of the U.S.-trained Bellosa Battalion in the northeastern province of Morazan, military sources reported Sunday.
Radio Venceremos, the guerrillas' clandestine radio station, announced that the rebels had inflicted 119 casualties on the government forces, including 74 deaths. The military high command has made no official announcement of the government's losses.
"If the casualty figures are correct," a U.S. Embassy spokesman said, "this would apparently be the heaviest casualties yet suffered by an American-trained unit."
The military sources said that in addition to soldiers, 14 members of the militia-like Civil Defense forces were also killed in the action, which occurred Wednesday. They said the troops were attacked when they went to the aid of besieged Civil Defense forces in San Isidro, near the Honduran border.
[In action Sunday and early Monday, leftist rebels overran three towns near the eastern provincial capital of San Vicente, routing at least 125 soldiers, United Press International reported, quoting military officials said.]
Guerrillas occupied the towns of Verapaz, Guadalupe and Tepetitlan, all in San Vicente province, about 25 miles (40 kilometers) east of San Salvador, the officials said. The towns lie along the slope of the Chiniquete volcano, a rebel stronghold for the past three years.
Regarding Wednesday's fighting, lower-level military officials indicated that a company of the Bellosa Battalion was hurt badly enough to render it ineffective. A company numbers about 160 men. The battalion, which went into action 11 months ago after being trained at Fort Bragg, North Carolina, comprised 10 companies.
Radio Venceremos said guerrillas ambushed one company of the battalion as it marched toward San Isidro, where the Civil Defense units were under attack. Then, it said, a second company was ambushed when it went to the aid of the first.
A military source said the units were really sections, the equivalent of a 40-man platoon, from the same company. The source said the troops were hit first with mines triggered by remote control and then attacked with automatic weapons and grenades.
Three of the country's five rapid-deployment battalions have been trained by the United States, and they are considered to be crack units in the 20,000-man army.
U.S. military trainers have sought to persuade the Salvadoran command to use them to attack rebel forces in guerrilla-held territory rather than committing them piecemeal in response to rebel initiatives — as happened Wednesday.

U.S., in Rebuff to China, Gives Asylum to Tennis Player

The Associated Press
WASHINGTON — Ignoring concerted appeals by China, the Justice Department announced Monday that the U.S. government is granting political asylum to Mi Na, the 19-year-old Chinese tennis star who defected to the United States last summer.
The decision comes after a nine-month debate within the State Department over the foreign policy implications of accepting Miss Hu's claim that she would suffer political persecution if she were to be returned to China.
The Chinese government has made repeated public appeals in recent weeks for her to return to her homeland, giving assurances that she would not be mistreated, and

Zimbabwe Dissidents Assassinate White Senator, 2 Others, at Home

By Jay Ross
Washington Post Service
HARARE, Zimbabwe — A white senator, his daughter and a British visitor were killed by anti-government dissidents Sunday night at a ranch in southwestern Zimbabwe, a government spokesman said Monday.
The senator, Paul Savage, 70, a member of the Republican Front party of former Prime Minister Ian Smith, was the first member of Parliament killed in the violence that has swept through Matabeleland province in the last year since the opposition leader, Joshua Nkomo, was dismissed from the cabinet.
The deaths, bringing to seven the number of whites killed in the area in the last two weeks, demonstrated that the dissidents are continuing to operate despite an army of offensive in which about 1,000 civilians have reportedly died.
Government ministers toured the province over the Easter weekend, holding rallies to tell how the army was stamping out the dissidents and restoring order. They warned the local people not to feed or give other support to the dissidents.
It would appear from Sunday night's attack on the Savage farm about 80 miles south of Bulawayo that the dissidents are still getting support. The government spokesman said about 20 took part in the raid.
The spokesman said the rebels chased the black workers off the farm and found the Savage family having a barbecue.
The dissidents "ordered them to raise their hands," the spokesman said, and then opened fire, killing Mr. Savage, his daughter Colleen, 20, and the Briton, whose name is being withheld pending notification of next of kin. Mrs. Savage was also seriously wounded, but a hospital official said she is out of danger.
The raiders then ransacked the house and stole "a large quantity of property," including a Land Rover, the spokesman said.
The Savage farm is near Gwanda in the south of Matabeleland, more than 100 miles (160 kilometers) from areas in the north where most of the dissident violence and army counterattacks have taken place.
The problem for the army is that the dissidents operate in a vast, mainly arid area of almost 20,000 square miles.
The rallies this weekend, in which the government tried to win over the people in Mr. Nkomo's tribal stronghold, demonstrated the difficulties Prime Minister Robert Mugabe faces following the brutal army offensive.
At a rally Saturday in Gwelo, 120 miles northeast of Bulawayo, Enos Nkala, minister of national supplies, and Emmerson Munangagwa, the minister in charge of security, exhorted a mainly passive crowd of about 1,500 to back the government.
The crowd was generally silent except when Mr. Nkala announced the abolition of the curfew, the reopening of stores and the resumption of bus services and drought relief. That brought prolonged cheers. The services had been cut off since the start of the army sweep in January.
Some people in the crowd told reporters that they were bitter about the army killings and had been forced to come to the rally. A colonel denied the allegations, however, and said the army and the people had good relations.
More than 5,000 troops formerly loyal to Mr. Nkomo, who fled to London last month, are known to have deserted the army in the last year.
It is unknown how many dissidents are seeking the political restoration of Mr. Nkomo. Some Westerners estimate that the number may be as few as 500.

Gromyko Conference: 'Superb' Performance

Aim of Meeting With Press Seen As Wider Than Arms Statement

By Serge Schmemmann
New York Times Service
MOSCOW — Though headlines have focused on Foreign Minister Andrei A. Gromyko's rejection of President Ronald Reagan's latest arms proposal, those here who watch the Kremlin from at least as intrigued by the fact that he announced the rejection at a wide-open news conference.

Such public confrontations with foreigners by Politburo members are exceedingly rare. Even Mr. Gromyko, who has faced the Western press fairly frequently when abroad, has done so only rarely at home.

The last time was in June 1979, after President Jimmy Carter and Leonid I. Brezhnev signed the second strategic arms limitation treaty in Vienna. Mr. Gromyko warned that if the pact went unratified, the arms limitation process would fizzle. The treaty was not approved by the U.S. Senate.

In March 1977, Mr. Gromyko went before the Western press with a show of anger to reject proposals brought by Cyrus R. Vance, then the secretary of state, for deep cuts in the superpowers' nuclear arsenals.

Against this history and the secrecy that normally surrounds the Soviet leadership, at least since the Khrushchev era, the announce-

ment of Saturday's news conference came as something of a shock. Not only did the recently promoted first deputy prime minister intend to face the press, but he was to do so on live Soviet television.

Mr. Gromyko, 73, appeared entirely at ease. He began without introduction and continued without referring to notes.

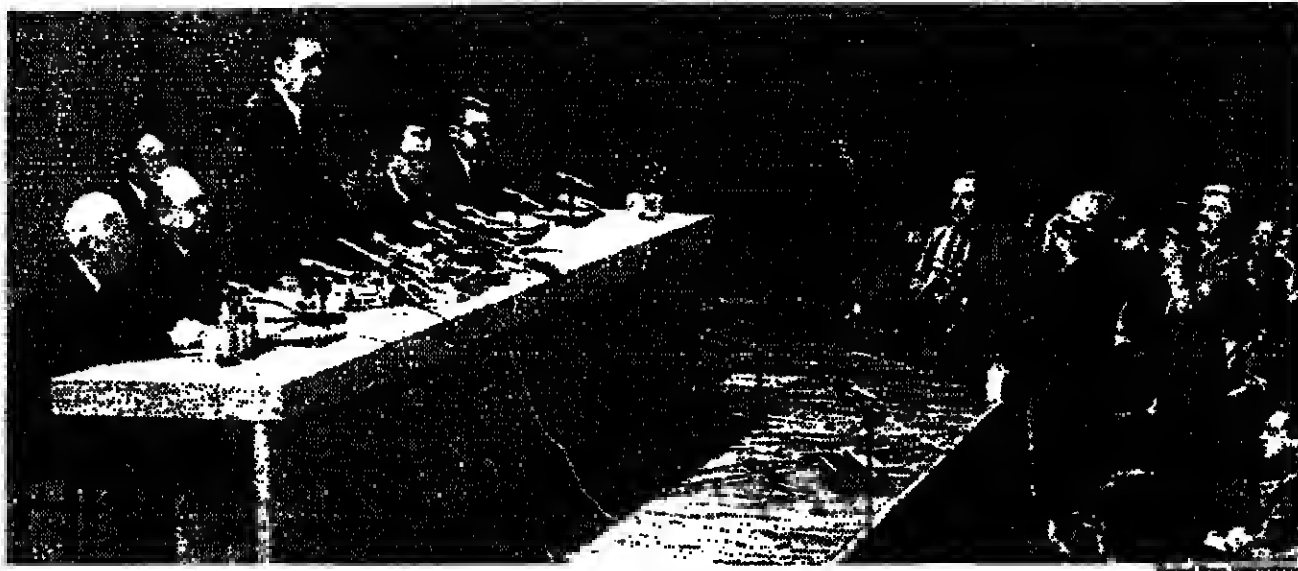
A number of recent statements by the American president, he began, needed a response, and after a "brief" opening statement he would answer any and all questions.

The opening statement lasted an hour, and 12 questions took another hour to answer, but Mr. Gromyko never faltered in a performance that an American diplomat conceded was "superb."

Despite his reputation for a dour face, Mr. Gromyko showed himself master of a broad range of expressions and oratorical tools.

He drew laughter when, ridiculing the U.S. refusal to count French and British nuclear arsenals at the Geneva talks, Mr. Gromyko spoke of a missile headed for the Soviet Union with a tag reading: "I'm French. I shouldn't have been counted."

The basic purpose of Mr. Gromyko's news conference was to reject Mr. Reagan's offer last week of an interim agreement limiting Sov-



Foreign Minister Andrei A. Gromyko at his two-hour press conference in Moscow on Saturday.

et and U.S. medium-range missiles. But the foreign minister ranged far beyond that issue, the transcript of the news conference covered 11 columns of fine print in Pravda on Sunday. Western experts concluded that his mission was broader than to issue another statement on arms limitation.

They suggested that his performance was meant to counter the overall impact of Mr. Reagan's recent statements and appearances, from his arms proposals to his depiction of the Soviet Union as an "evil empire" in a speech last month in Orlando, Florida.

In effect, the experts said, the Kremlin apparently dispatched Mr. Gromyko to tackle Mr. Reagan on his own ground, on the television screen, in a direct appeal to the public, American and Soviet, with a show of reasonableness, pa-

lence and candor. Western experts agreed that his performance was virtuoso.

Mr. Gromyko's handling of several issues struck analysts as evidence that he sought to dispel the image of a Kremlin teeming with devious plotters. It was indicative

that he spent 20 minutes of the two-hour conference in rebutting the "evil empire" remark.

Mr. Gromyko fielded questions equally from American, Soviet and other reporters. The main obstacle to a livelier exchange was the large size of the audience and the time

Mr. Gromyko spent on his opening statement.

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Tass Says Rejection of Reagan Missile Plan Is Final

Reuter
MOSCOW — The United States is wrong to think Moscow might reconsider its rejection of President Ronald Reagan's plan for an interim missile agreement, Tass news agency said Monday.

It said U.S. State Department officials had responded with "unusual haste" to Foreign Minister Andrei A. Gromyko's news conference Saturday and did not appear

to have read the text of his remarks.

State Department spokesmen said they considered that Mr. Gromyko's rejection was not the Soviet Union's last word and that the Kremlin might be ready to discuss an accord on the basis of the president's offer.

Tass quoted in full Mr. Gromyko's remarks that the Geneva talks on medium-range missiles

would fail if Washington stuck to the Reagan plan.

It added: "Calculations by certain circles in the United States on a change in the clear and unambiguous stand of the Soviet Union with regard to Reagan's 'interim proposal' are built on sand. State Department officials in their propagandist fever probably failed even to read carefully the account of the press conference."

European Anti-Nuclear Protesters End 4 Days of Marches and Rallies

Compiled by Our Staff From Dispatches
BONN — More than 400,000 anti-nuclear demonstrators took part Monday in 11 rallies in major West German cities, peace movement organizers said.

The day passed without major incident, bringing a peaceful climax to a relatively trouble-free series of demonstrations over the four-day Easter holiday weekend.

Organizers said the biggest urban turnout was in Dortmund, where 120,000 demonstrators marched. They said 80,000 were at

a rally in Hamburg and a further 40,000 in Cologne.

Police said their estimate was considerably lower in most centers. At Kellinghusen in Schleswig-Holstein, about 10,000 people formed a human chain round a North Atlantic Treaty Organization base, where protesters say nuclear missiles are stationed.

About 160 protesters who tried to block entry to a U.S. radar installation in West Berlin Saturday were detained for violating a ban on demonstrations near military facilities.

Police continually moved protesters sitting in front of the main gates of the U.S. Army's Wiley Barracks in Neu-Ulm, Bavaria, where Pershing-2 missiles may be deployed later this year.

One of those removed Sunday was Gerd Bastian, 60, a retired army major-general who is now a member of parliament for the anti-nuclear Greens party.

At the Dortmund rally, Joseph Liener, an environmentalist leader, said the peace movement would make it virtually impossible for the West German government to deploy cruise and Pershing-2 missiles.

He said the movement would mobilize public opinion and exert political pressure to such an extent that the government would not dare go ahead with deployment.

About 204 missiles are due to be deployed in West Germany unless the Soviet Union and the United States reach agreement in the disarmament talks in Geneva by the end of the year.

In Frankfurt, a representative of the American nuclear freeze movement, Melinda Fine, told demonstrators that European protests are supported throughout the United States.

In Basel, Switzerland, near the frontiers of West Germany and

France, more than 2,600 peace campaigners began an Easter march Monday, police said.

They were heading for the West German town of Lörach, also near the borders, where about 8,000 protesters were due to converge. French marchers were expected to join.

In Italy, around 1,000 people, including some from Austria, took part in a peace march Monday up to the gates of a NATO base in the northern province of Alto Adige.

Police said there were no incidents along the 6-kilometer (3.7-mile) route from Naz Sclaves, near Bressanone, to the site of the base. Participants included members of Pax Christi, an international Roman Catholic movement, and the Communist and Radical parties of Italy.

In Britain, there were no anti-nuclear protests Monday but leaders of the Campaign for Nuclear Disarmament were jubilant over the 130,000-plus people they said turned out for three days of demonstrations.

The largest and most successful was the 14-mile human chain from the Greenham Common nuclear base, 50 miles (80 kilometers) west of London, where 96 cruise missiles will be installed in December, to Burghfield arms factory, where nuclear arms are made. The campaign estimates that 100,000 people took part.

CORRECTION

State Department briefing officers, responding Saturday to Soviet rejection of the U.S. arms control proposals, incorrectly stated that there are 450 U.S. and allied nuclear-capable aircraft in Europe. The correct figure is 800. A Washington Post story on the briefing appeared in Monday's International Herald Tribune.

Black Leader Gromyko's Rejection Is Killed in South Africa

New York Times Service
JOHANNESBURG — The outspoken leader of a black community of farmers trying to resist government plans to evict them from their land has been shot to death during an altercation with police at a protest meeting.

A police spokesman in Ermelo, a Transvaal farming town 120 miles (193 kilometers) east of Johannesburg, said the community leader, Sam Mkhize, had died of shotgun wounds.

Helen Suzman, an opposition member of Parliament, said she had been telephoned by one of Mr. Mkhize's colleagues, Johannes Vilakazi, to say there had been an argument with the police as to whether Mr. Mkhize had obtained a permit for the meeting.

Mr. Mkhize, one of 300 owners of small farming plots in Driefontein, a village 200 miles southeast of Johannesburg, was leading a campaign to save off government attempts to move the villagers to rural black "homelands" in accordance with territorial apartheid policies.

His death Saturday came only a few days after he had sent Prime Minister Pieter W. Botha a letter seeking Mr. Botha's help in stopping the forced removal after appeals to other government ministers had failed.

In his letter, Mr. Mkhize apologized for approaching the prime minister directly but said the situation was "urgent."

He added: "Your help is needed, because we are being forced to move from our properties by the Department of Cooperation and Development. Dr. Koornhof has been known to say, 'There will be no forced removal of black people from black areas,' and yet here we are, without any real discussion, being told by his department that we will move, like it or not. This is not humanitarian or, in God's name, proper." Pieter G.J. Koornhof is the minister of cooperation and development.

Mr. Mkhize asked Mr. Botha to arrange a meeting with him.

Black Leader Gromyko's Rejection Is Killed in South Africa

By John Tagliabue
New York Times Service

MUNICH — West European governments have signaled to Washington their view that Foreign Minister Andrei A. Gromyko's rejection of an interim proposal limiting medium-range missiles is not likely to be the Soviet leadership's last word.

Senior officials of the North Atlantic Treaty Organization reached by telephone in Brussels said after Mr. Gromyko's news conference Saturday that his rejection of President Ronald Reagan's new proposals was disappointing but not surprising.

Under Mr. Reagan's offer Wednesday, the Soviet Union would dismantle a yet-to-be-decided number of missiles in Europe and Asia, and the United States would limit the deployment of its medium-range nuclear missile warheads in Western Europe until a balance was achieved.

A senior alliance official said: "As far as we know Soviet negotiating tactics, it's typical for them to come down hard at the start. But this does not necessarily mean it's the end."

The official indicated that this view was shared by all NATO members and that it had been communicated to the State Department in Washington.

The NATO ambassadors or their representatives in Brussels were understood to have reached a consensus on the Gromyko rejection at a meeting on Saturday, according to NATO sources.

In Bonn, Foreign Minister Hans-Dietrich Genscher said that he hoped the Soviet Union would "undertake a businesslike evaluation of the far-reaching Western proposals."

In an interview with the Hamburg newspaper Bild am Sonntag, Mr. Genscher said that the "statements of the Soviet leadership must not be their last word on disarmament."

NATO governments, under pressure from anti-nuclear campaigns at home, had urged the Reagan ad-

ministration to offer an interim proposal for negotiations. Those governments unanimously welcomed the Reagan proposals.

Expressing the hope that the Soviet leadership would warm to the proposals before the Geneva talks resume next month, Mr. Genscher said, "We must now sound out what is possible at the negotiating table."

West Germany plays a crucial role in the arms deliberations, since all 108 Pershing-2 missiles to be stationed in Europe will be deployed at sites in West Germany. From West Germany, the Pershing-2 missiles, with a range of more than 1,000 miles (1,600 kilometers), could reach targets throughout the western Soviet Union.

Chancellor Helmut Kohl has said he will deploy the missiles in West Germany in the fall if the Geneva arms talks fail to produce results by then.

In France, officials said that President Francois Mitterrand would maintain his refusal to include France's nuclear arsenal in the Geneva talks. Among Mr. Gromyko's criticisms of the U.S. proposals was the exclusion of any discussion of the 162 French and British nuclear missiles.

Mr. Gromyko's unusual news conference in Moscow was not carried live in most West European countries. Excerpts from his comments were reported only on regularly scheduled news broadcasts in Britain, France and West Germany.

Kohl Planning Visits To U.S. and Russia

Reuter
BONN — Chancellor Helmut Kohl of West Germany has accepted invitations to visit Washington and Moscow, but no dates have been fixed, it was announced Monday.

The trip to the Soviet Union will be Mr. Kohl's first since he became chancellor in October after a parliamentary realignment. He visited Washington in November.

WORLD BRIEFS

9 Held in Attack on U.S. Marines

BEIRUT (AP) — A military magistrate Monday ordered two Palestinians and seven Lebanese Shiite Muslims held for questioning in connection with a March 16 grenade attack that slightly wounded five U.S. Marine peacekeepers, court sources said.

The sources, who declined to be named, said the two Palestinians belonged to George Habash's Popular Front for the Liberation of Palestine and the seven Shiites to a small faction loyal to Iran's Islamic leader, Ayatollah Ruhollah Khomeini. They said the army seized automatic weapons, grenades and explosives at the home of one of the Shiite Muslims.

Army investigators turned the nine suspects over to the military court, the sources said, and Magistrate Elias Moussa ordered them held for more questioning. The sources said all nine claimed they were not guilty.

West Bank Ailments Investigated

HEBRON, Israel-Occupied West Bank (UPI) — U.S. medical experts began investigating Monday the ailments that have affected 800 schoolgirls in the West Bank during the last two weeks. The incidents set off anti-Israeli protests in the West Bank, leaving two Israeli soldiers and an Arab youth wounded.

The state-run Israel Radio reported that authorities had detained a CBS television crew on charges of having staged poisoning scenes in a hospital in Nablus, the largest city in the occupied region. The CBS producer in Tel Aviv, Warren Lewis, categorically denied the charges.

At the United Nations, Arab nations requested an urgent meeting of the Security Council to discuss the mass illnesses, which Israel has charged are part of an "organized fraud." The Arab group avoided charging Israel with direct responsibility, however, as the Palestine Liberation Organization has done.

Tass Cautions Japan Over A-Arms

MOSCOW (Reuters) — Tass said Monday that Japan was clearly contravening at a U.S. nuclear buildup in the Far East and advised Prime Minister Yasuhiro Nakasone to reconsider what it called a risky policy.

"Tokyo should understand that the Soviet Union, [and] the Socialist countries of Asia, will stay firmly indifferent to the plans of further drawing Japan into the nuclear strategy of the U.S.A.," a Tass political commentator, Boris Chikhonin, wrote.

Mr. Nakasone has denied the presence of any U.S. nuclear weapons on Japanese territory, but the Tass commentary said this was just "putting a good face on the matter," while Japanese authorities aided and abetted an American buildup. "The Japanese prime minister would be well advised to think where such a risky policy can lead his country, rather than try to refute what has become obvious," it added.

Tehran Tries 8 in Bani-Sadr Case

LONDON (Reuters) — Eight air force technicians went on trial Monday for alleged involvement in the escape from Iran of former President Abolhasan Bani-Sadr, the Iranian news agency reported.

The agency said the technicians were being tried by an army revolutionary tribunal and were charged with taking part in hijacking a plane for the escape. Mr. Bani-Sadr and Massoud Rajavi, leader of the Mujahidin Khalq opposition, fled from Iran in July 1981 aboard an air force jet. They live in exile near Paris.

The news agency also said that a man named Kolahi was being tried for the bombing of the Islamic Republic Party headquarters in Tehran in which 72 leading clergymen and politicians were killed in June 1981.

British Labor Group Rebuffs IRA

BRIDLINGTON, England (Reuters) — The youth section of the Labor Party voted overwhelmingly Monday against a resolution calling for "solidarity with Irish republicans fighting for a united Irish republic."

Instead, the conference backed a resolution that said the Irish Republican Army and "other terrorist groups" offered no solution to the problem of Northern Ireland.

During the debate, two delegates called for the killing of British soldiers serving in Northern Ireland, where the IRA is fighting to end British rule. One of the two, Richard Emmett, said: "Every bullet in a British soldier is another nail in the coffin of British imperialism."

Temblo Jolts City in Indonesia

JAKARTA (AP) — A powerful earthquake jolted the city of Banda Aceh in northern Sumatra on Monday, injuring scores of people and wrecking many buildings in the area, the authorities said. There were no immediate reports of fatalities.

A police spokesman said the injured included students hurt by falling beams and stonework when part of a building at an Islamic university collapsed, as well as schoolchildren and workers hurt when other buildings caved in. Banda Aceh, a city of 34,500, is on the northernmost tip of Sumatra island, about 1,125 miles (1,800 kilometers) northwest of Jakarta.

China Seizes Alleged Taiwan Spies

BEIJING (AP) — Three alleged spies for Taiwan have been arrested for stealing and transmitting secret documents, the Chinese news agency reported Monday. The report identified the leader of the group as Li Jiaqi, 56.

His accomplices were identified as Cai Pin, 45, a courier, and Qin Yunmei, 36, Mr. Li's adopted daughter, who allegedly supplied secret documents. The agency did not say what kinds of documents were involved.

The three admitted their guilt, the agency report said, and their case was turned over to the authorities in Beijing for trial. There was no immediate comment in Taipei.

For the Record

MOSCOW (Reuters) — Soviet religious writer Zoya Krakhmalnikova was sentenced to a year in prison and five years of internal exile after being convicted Friday of anti-Soviet agitation, dissident sources said Monday. Mrs. Krakhmalnikova edited the underground religious journal Nadezhda (Hope) for more than six years until her arrest last August.

BELFAST (AP) — Two gunmen killed James McCormack, 45, a Protestant, at his home west of Belfast early Monday and shot his wife in the legs. At the same time, police said that John McConville, 22, a Roman Catholic, who was beaten by a gang of youths Saturday in Armagh, southwest of Belfast, had died of his injuries.

Anti-Americanism Target Of New Strategy in U.S.

(Continued from Page 1)

ent research group, and the International Herald Tribune in seven European countries and the United States showed some erosion of support for the United States, especially among young Europeans.

When asked to identify what was "most responsible for current international tensions," one of two possible anti-American responses was given most frequently by the young in every country except Britain.

In France, 25 percent of those 18 to 24 said the "U.S. military buildup" was to blame, compared with 13 percent of those 35 to 49 and 12 percent 65 and over. Similarly, 24 percent of the youngest age group selected "U.S. aggressive policies toward the Soviet Union" as the cause of tensions, compared with 16 percent in the 35-to-49 category and 7 percent for those over 65.

In West Germany the gap was even more striking: 64 percent of West Germans aged 18 to 24 blamed international tensions on the U.S. military buildup, compared with 41 percent of those in

the middle-age category and 29 percent of those 65 or older.

In an article last week in Public Opinion magazine, William Schneider, an analyst at the Washington-based American Enterprise Institute, said the steady growth of higher education in postwar Europe accounted in part for the generation gap.

He argued that the fact that only about 5 percent of the British population has attended college, a fairly constant figure for the last two decades, partly explains why Britain is virtually the only country in Europe where a successor-generation gap is not evident.

Mr. Szabo's data show that the generation gap appears smallest in Britain and France and greatest in West Germany and Italy, where, paradoxically, the United States played a major role in the social and cultural reconstruction after the war.

Reagan administration officials and private analysts said they were particularly troubled that young Europeans, now among the best educated in their societies, were also those who appeared most reserved about American society and leadership.

"We appear to have a gap developing between elites on both sides of the Atlantic, between the groups that used to share similar political goals and values," Mr. Schneider said.

35%

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Defector Says Cuba Ran a Drug Trade In U.S. in 1980-81

By Selwyn Raab
New York Times Service

NEW YORK — A Cuban defector has told U.S. and New York state law enforcement officials that agents of the Cuban government conducted narcotics trafficking to the New York metropolitan area and in Florida in 1980 and 1981.

The defector, Mario Esteves Gonzalez, was arrested on drug charges 16 months ago. Since then, in testimony in U.S. District Court in Miami and in statements to officials, Mr. Esteves has said that his chief mission was to distribute cocaine, marijuana and methamphetamine in New York, New Jersey and Florida.

He has testified that he delivered \$2 million to \$3 million to Cuban officials from proceeds of drug trafficking in the United States in a 15-month period.

Mr. Esteves has told U.S. officials that he and about 3,000 other Cuban agents infiltrated into the United States among 125,000 refugees, many of them criminals, who were allowed to leave Cuba from the port of Mariel in the spring of 1980.

New York City police records show that from May 1980 through December 1982, people who are believed to have been to the Mariel exodus were arrested on charges of 6,288 felonies and misdemeanors. There are no accurate figures on how many have been convicted of crimes in the United States.

In Washington, Miguel Martinez, the first secretary and press spokesman of the Cuban Interest Section in Washington, declined to comment on Mr. Esteves's allegations. The United States and Cuba have no formal diplomatic rela-

tions and there has been no comment from Havana about Mr. Esteves's arrest and statements.

Richard D. Gregorie, who is charge of the narcotics section for the U.S. attorney's office in southern Florida, said Mr. Esteves's allegations about Cuba's complicity in narcotics were "very credible." Many aspects of Mr. Esteves's statements have been "independently corroborated," he said.

Justice and State Department officials gave various explanations for Cuba's role in drug deals: to obtain hard foreign currency for use in international trade; to retaliate against U.S. trade restrictions on Cuba; to cause social unrest in the United States; or to help finance leftist movements in Latin America.

Mr. Esteves, 33, was arrested by the Coast Guard on Nov. 29, 1981, while he was transporting 2,500 pounds of marijuana in a speedboat off the Florida coast. He was indicted on a charge of possession of marijuana with intent to distribute and faced a maximum prison term of 15 years. Because he was cooperating, he got only a nine-month prison sentence.

Mr. Esteves was a witness for the prosecution at a trial in U.S. District Court in Miami in February that ended in the conviction of five men accused of narcotics smuggling.

Four Cuban officials, including the commander of the Cuban Navy, Vice Admiral Aldo Santamaría Cuadrado, were indicted on conspiracy charges in the same case. Since the United States has no diplomatic relations with Cuba, the Justice Department has no way to extradite them.

Managua Archbishop Emerging as a Leader

By Stephen Kinzer
New York Times Service

NIQUINHOMO, Nicaragua — Easter, always a festive day in heavily Roman Catholic Central America, was especially so in this dusty town because Archbishop Miguel Obando y Bravo came from Managua to celebrate Mass.

The cavernous Church of St. Anne was filled to overflowing Sunday, with more than 2,000 people straining to hear the archbishop urge, "Maintain your faith in the church and in your bishops."

The Mass, which contained no overt political references, was not broadcast over television or radio, as is customary, because the archbishop had refused to submit the text of his homily to government censors before delivering it.

As the Sandinist government has tightened control over internal dissent and opposition political and business leaders have fled into self-imposed exile, Archbishop Obando y Bravo has emerged as one of the leading nongovernmental figures in the country.

In his homily, he urged the congregation to remain close to the church hierarchy and strengthen their communion with God. Without mentioning growing complaints about food shortages and rationing here, he asked God to give Nicaraguans a life in which they could depend on receiving "their little bit of rice, their cup of coffee, their little chicken and the small amount they need for their humble lives."

When a cleric called for applause for the archbishop, the extended ovation and cheers seemed to be a demonstration of solidarity with the prelate's criticisms of the Sandinist government as well as an expression of gratitude for his presence.

Afterward, Archbishop Obando y Bravo observed privately that the number of churchgoers in Nicaragua and the level of their enthusiasm are now "greater than ever."

"When people are experiencing difficulties," the archbishop said, "they try to become closer to God."

But the church should not be involved in politics, he said, criticizing Nicaraguan Catholics who have joined the so-called People's

Sandinist Official Seeks U.S. Visa

New York Times Service

MANAGUA — Interior Minister Tomás Borge Martínez, of Nicaragua, has applied for a visa to visit the United States, according to U.S. diplomats here. They said Sunday that the decision on whether to grant the visa would be made by the State Department in Washington.

According to Barricada, the official Sandinist newspaper, Mr. Borge wants to visit the United States with several prominent members of the Sandinist government, including the state security chief, Lenin Cerna, and at least one member of an attack by anti-Sandinist rebels.

But the U.S. ambassador to Nicaragua, Anthony C. Quainton, said no applications had been received from anyone listed by the newspaper, other than Mr. Borge.

Church, whose priests often function outside the established religious hierarchy and tend to be more favorably disposed toward the Sandinist government.

In the central plaza of Niquinhomo, best known as the birthplace of Augusto César Sandino, for whom the revolutionary Sandinist movement was named, many people leaving the church said they had attended for religious, not political, reasons.

But they agreed that attendance is not usually so heavy, and several said they admired Archbishop Obando y Bravo's decision not to lend his support to the Sandinist government.

"If the regime continues as it is, this kind of Mass will not exist," said Marco Antonio Espinoza, 38, a market vendor.

Sofia Alonso, an elderly woman, said her acquaintances were sending their children and grandchildren to parochial schools because "the government is trying to reduce people's faith in God and the Catholic Church."

The Sandinists have repeatedly declared they have no intention of restricting religious observances.



Survivors of the Popayan earthquake use the debris of what was once their family home for temporary shelter.

Colombia Army Is Said To Hold Up Quake Aid

The Associated Press

BOGOTA, Colombia — The Colombian Army is withholding 25 tons of U.S. medical aid for earthquake victims because they may fall into the hands of leftist guerrillas, a civil defense official said Monday.

However, a Defense Ministry spokesman firmly denied reports that the army was holding up distribution of relief aid.

U.S. Air Force planes delivered 6,000 tents and 25 tons of medicine and hospital equipment to Colombia last Friday, a day after an earthquake killed at least 250 persons and left 150,000 homeless in the city of Popayan, 230 miles (370 kilometers) southwest of Bogota.

A Red Cross spokesman said that his organization had received none of the medical aid, and the army has said nothing about delivering it to the Red Cross, according to the office of Carlos Martínez, the director of emergency relief for the agency.

The archbishop of Popayan, Silverio Buitrago, said Sunday that the tents were being sold for up to \$400 apiece.

The army has delivered to the Red Cross only two dozen of the 6,000 U.S. tents, the humanitarian organization's spokesman said. The army fears that the tents and other relief items will fall into the hands of leftist guerrillas, according to a retired army officer now with the Colombian Civil Defense Agency.

The retired officer, Lieutenant Carlos Ismael Meza, who is with the agency's relief group in Popayan, said that it is no secret among active and retired army officials.

Sadat Exceeded Power in Firing Copt, Expert Says

United Press International

CAIRO — President Anwar Sadat's 1981 dismissal of the leader of Egypt's Coptic Christian Church constituted "gross usurpation of authority" and should be rescinded, a court-appointed legal expert has concluded.

Documents obtained Sunday also disclosed that the deposed Coptic patriarch, Shenouda III, has been quietly allowed by the government to resume running church affairs from exile at a monastery in the desert northwest of Cairo.

The documents were a memorandum written by the unidentified legal expert, appointed by the Administrative Court of the State Council, and another memorandum submitted to the court by three defense attorneys. The court is to pronounce judgment on the legality of the dismissal April 12.

About a month before he was assassinated in October 1981, Sadat, fearing civil strife, dismissed the patriarch from his post as leader of Egypt's 7 million Coptic Christians and accused him of instigating Moslem-Christian tensions.

Australia to Protest A-Testing by France

Reuters

CANBERRA, Australia — Australia will make a strong protest to France about the expected resumption of underground nuclear tests at Mururoa atoll in French Polynesia, a Foreign Ministry spokesman said Monday.

The spokesman said Foreign Minister Bill Hayden had ordered the Australian Embassy in Paris to ensure that France "had no doubt about Australia's strong opposition to the nuclear testing program."

Reagan Plans a Push on Arms Budget

By Juan Williams
Washington Post Service

SANTA BARBARA, California — President Ronald Reagan plans this week to increase his high-pressure salesmanship for a proposed military budget increase and to begin building support in Congress for deploying the MX nuclear missile.

The president, who returned to Washington Sunday evening from California, is known to be considering a major speech on the MX within two weeks, and his special strategic missile commission is expected to report to him within about 10 days its final recommendations for basing the nuclear missile.

Mr. Reagan suffered a defeat in the MX in December, when Congress rejected his plan to base the missile in the so-called dense pack formation. He is now calling for bipartisan support to achieve a basing mode.

In addition, the president's aides say, he plans soon to offer evidence of Soviet use of chemical warfare in violation of international treaties. He will do so, they said, to keep pressure on the Soviet Union and supporters of a nuclear weapons freeze by reiterating that Moscow has proven untrustworthy on treaties far less demanding than one involving an all-out nuclear freeze.

Meanwhile, aides said, the administration is considering offering lower military spending figures to Congress as a compromise, al-

though no such numbers have been put in final form.

"It is the subject of internal discussions now as to how it is going to be handled," a senior White House official said. "But we should have a proposal ready in the next few days."

Mr. Reagan also faces resumption this week of his fight in Congress against the nuclear freeze movement.

A vote on a freeze proposal is expected soon in the House. After sizable demonstrations in Western Europe over the weekend, the president is seeking in avoid losing support at home for his opposition to a freeze.

The administration's campaign against the movement started last week with a series of presidential actions intended to diminish criticism of Mr. Reagan as an unbending militarist not interested in negotiating an arms reduction treaty with Moscow.

After a speech in which he proposed creating space-age defenses against nuclear missiles, to end escalating missile stockpiling, Mr. Reagan offered the Russians a new treaty proposal Wednesday. He also said that the impact of a nuclear freeze could endanger chances for Soviet agreement on reducing weapons.

Andrei A. Gromyko, the Soviet foreign minister, said Saturday that Mr. Reagan's new treaty offer was "unacceptable."

"We Americans are an impatient people," the president told the Los

Angeles World Affairs Council on Thursday. "Often this is a source of strength. In a negotiation, however, impatience can be a real handicap. ... If one side seems too eager or desperate, the other side has no reason to offer a compromise and every reason to hold back, expect that the other more eager side will cave in first."

Mr. Reagan's speech indicated that he believes he is bargaining fairly and reasonably. He said his proposals to the Soviet Union had not been made on a "take-it-or-leave-it basis."

Similarly, he offered proposals in negotiations that he said were meant to end all nations' preparations for war. "Never before in history has a nation engaged in so many major simultaneous efforts to reduce the instruments of war," he said.

In that context, Mr. Reagan added that he soon would provide evidence of Soviet use of chemical warfare. He said the Soviet Union had shown disregard for existing arms control treaties and was using toxic weapons in Afghanistan, Laos and Cambodia.

U.S. Agency Warns CAT Scanners May Present Danger to Patients

New York Times Service

NEW YORK — The Food and Drug Administration says it has found a defect that may pose "a risk of injury" in 238 sophisticated X-ray scanners around the United States. It has taken action that could lead to an order to the manufacturer to repair the scanners.

The agency said that some of the computer axial tomography (CAT) scanners designed and built by the Technicare Corp., sometimes turned on without a technician's command. This could repeat a scan and expose the patient "to unnecessary and possibly hazardous amounts of radiation," the agency said.

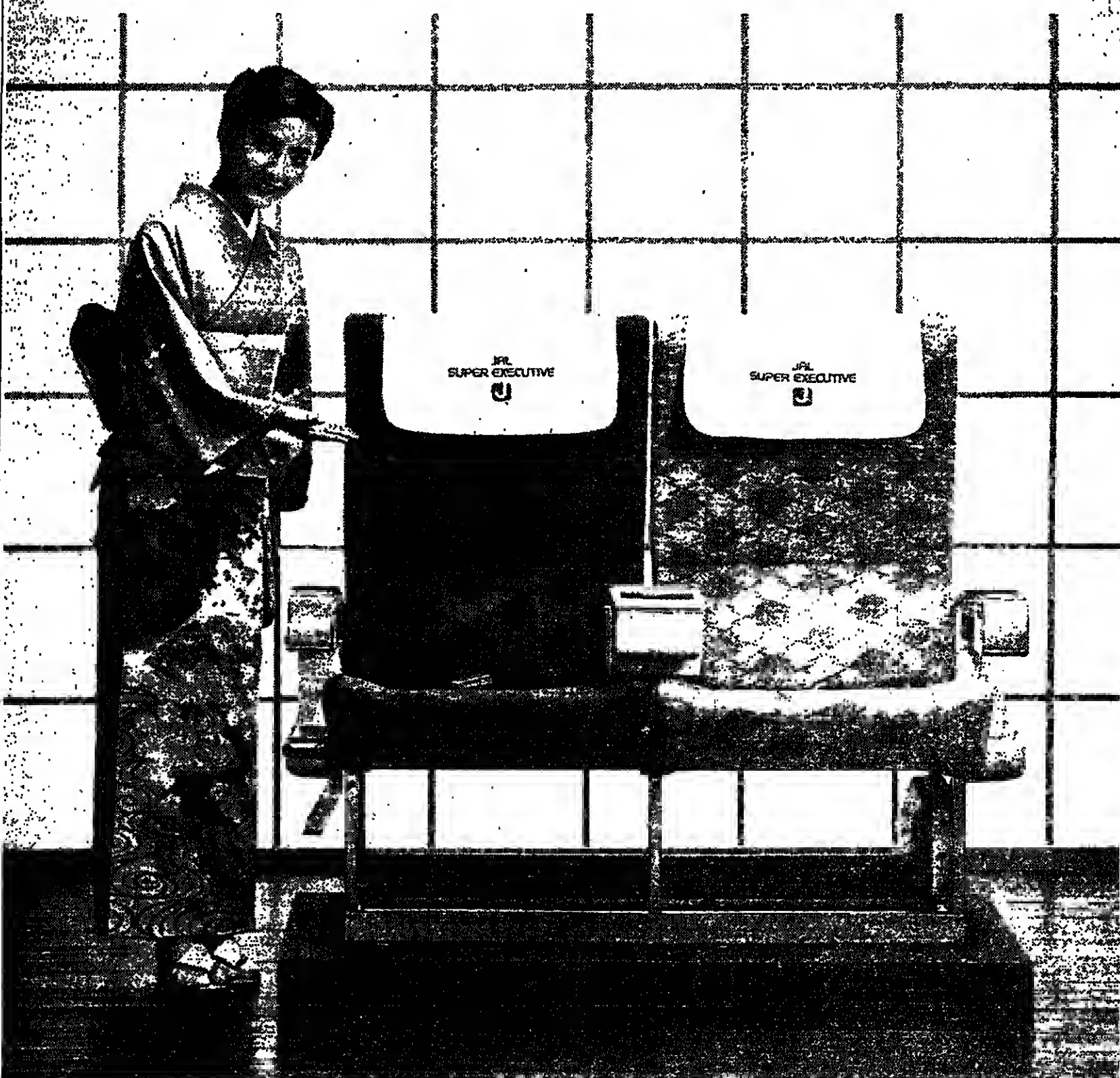
Joseph G. Teague, president of Technicare, a subsidiary of John-

son & Johnson, the health care conglomerate, said the problem was so minor and infrequent that further action by the FDA was unnecessary.

Edwin Miller, deputy director of the FDA's Division of Compliance, advised patients scheduled for CAT scans to go ahead. He said that because operators would be "forewarned," the risk of unnecessary exposure to radiation would be small. The scanners in question amount to about 15 percent of the 2,000 in the United States.

CAT scanners are essentially combinations of computers and X-ray devices. They can photograph soft tissues and organs, and are used to detect cancers, blood clots and cysts, among other problems.

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Air Industry Asks U.S. to Hasten Inspection of Incoming Travelers

United Press International

WASHINGTON — The airline industry has recommended that the government increase the number of inspectors and improve coordination to reduce the delays that overseas passengers and cargo are often subject to on entering the United States.

"Delays in the inspection process of three hours or more have been experienced at major U.S. airports, including New York and Miami," the Air Transport Association said in an analysis that it sent to several federal agencies.

The association also recommended Sunday that separate agencies process travelers and freight, and that a one-stop inspection procedure be used for passengers.

At least four agencies are involved in processing international passengers and cargo: the Immigration and Naturalization Service; the Customs Service; the Drug Enforcement Administration; and the Agriculture Department's Animal and Plant Health Inspection Service.

The Air Transport Association

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Tensions of Deflation

The travel agents' protest demonstration in Paris had its comic aspect, but look again. What do you suppose the reaction in the United States would be if the U.S. government suddenly decreed that one could spend no more than \$270 abroad in the coming year?

The French government, having just devalued the franc for the third time since it came to power two years ago, is desperately trying to conserve foreign exchange and stave off a fourth devaluation. Shutting off tourism for a year seems to President Mitterrand less undesirable than shutting off, for example, imports of foreign-made consumer goods. The Common Market is now under severe internal strain. Explicit and sharpened protectionism, of a sort that might have put the Common Market in real jeopardy, was one of the possibilities under discussion in France in recent weeks. There was a good deal of support for it within Mr. Mitterrand's Socialist Party. But he stoutly rejected the idea and, if the resort to travel restrictions seems extreme, it is surely a great deal less dangerous than any alternative.

France has now embarked on a genuinely rigorous austerity program, of which the travel rules are the most visible but not necessarily the most important element. There are also mandatory loans to the government, higher

taxes and higher utility rates. Having failed in its attempt to kick the French economy into high growth with high spending, the Mitterrand government is struggling to get its domestic and foreign deficits under control.

The people and parties now in power to the Common Market countries remain firmly committed to it, but the opposition is not trivial. In Britain the Labor Party published its new platform repudiating its pledge to take the country out of the Common Market if the party should win the election that will be held some time within the next year.

For Americans the point is that the great worldwide deflation is generating high tension as people everywhere are forced back a step from the abundance that once seemed to lie just ahead. The most dramatic examples are in Latin America, but the same effects are clearly visible in the wealthy industrial countries of Western Europe. The United States continues to be the dominant force in the world's trade, and every turn in American policy has consequences abroad, often much sharper than at home. Americans need to exercise care that their decisions do not aggravate the troubles of other countries whose economies are now closely integrated with their own.

—THE WASHINGTON POST.

Chastise the Banks?

Congress must vote soon on the proposal to expand the capacity of the International Monetary Fund to aid countries that are over their heads in debt. But there is no relief for debtors that will not also give some relief to their lenders, including major U.S. banks.

Tempering as it may be to protect bankers for the free-wheeling lending that has fueled this crisis, the national interest calls for prudence. Mexico, Argentina and Brazil have been bailed out, at least for now, but Venezuela and Nigeria are teetering as oil prices fall. Ghana, perhaps France, and others are also in trouble. The world's financiers have gained a lifetime's experience in patchwork rescues since last summer, but major defaults can still occur. This is no time to relax, or to indulge rancor.

The Reagan administration, itself once reluctant, wants Congress to approve \$8.4 billion as America's share to enlarging the IMF. Although the money is urgently needed, some congressmen see only a bailout for bankers and demand that they be made to suffer for their sins. It is already clear that the IMF authorization will not pass unless the bill also clips bankers' wings in some fashion.

The question now is how. Congress will consider three approaches. Senators Heinz and Proxmire have received the most attention with a plan to have the Federal Reserve Board set country-by-country limits on bank loans, require special bank reserves against delinquent foreign loans and stretch out first-year fees over the life of a loan. Representative Schumer wants the banks and the IMF to extend the weakest loans further, and to reduce interest rates. The three federal agencies that

regulate banks take the most modest position; they favor more forceful regulation and more publicity about the size and condition of loans outstanding. The banks oppose restraints, particularly those that could reduce their profits.

Measures that seriously jeopardize American banks would obviously be counterproductive. They could also hurt borrowers, particularly those overburdened countries that still need help. But more publicity and a gesture to stronger regulation are clearly in order. Even if the regulators already have much of the authority they need to exercise better control, a new mandate from Congress would stiffen their spines and further admonish the banks.

Senators Heinz and Proxmire do well to propose that rules can be applied evenly throughout the banking system. Ideally, Congress would authorize — but not require — new regulatory measures, leaving it to the Fed to decide if and when they might be used.

That need for flexibility also argues against fixed credit ratings for the debtor countries. Setting such limits would in any case become a political nightmare. Even a supposedly "independent" agency would run into trouble with the White House if it red-lined a friendly country. But moves that now make clear Congress's determination to strengthen regulation need not include such rigid controls.

Although the way out of this debt crisis remains uncharted, enlargement of the IMF is an essential minimum. In further dealings with banks, wisdom dictates the need for sensitivity, not vindictiveness.

—THE NEW YORK TIMES.

Other Opinion

A Legitimate Question

[Mr. Reagan's anti-ballistic defense plans] are revolutionary and will undoubtedly lead to heated debate. The legitimate question is whether they boil down to an increase of the arms race. The Kremlin will be forced to meet the challenge by developing its own system. And then we are back to square one, at the cost of many billions of dollars and rubles.

—De Telegraaf (Amsterdam).

Nuclear Bluster for Easter

If the words in Moscow of Mr. Gromyko, newly elevated to the rank of first deputy premier, are to be taken literally, the prospects for nuclear disarmament and a reduction to East-West tension must be considered to have worsened sharply. Deploy your cruise and Pershing missiles, he says, and we will take protective action. In other words, the nuclear arms race may shortly quicken alarmingly.

Indeed, the sharp worsening in U.S.-Soviet relations is one of the bleakest auguries for the future.

—The Sunday Times (London).

The Russians need to return to the early days of Andropov's thinking about and shuffle Gromyko backstage among the archives of Molotov and Vishinskiy, where he has his original home. There is a feeling of fresh possibility to the nuclear debate in the West, but there will be no realistic possibilities opening if Moscow, at this critical stage, withdraws from the bunker of negative rhetoric.

—The Guardian (London).

So Britain's peace marchers are rating prime time on Soviet television. Good. At least it gives those hapless viewers a glimpse of what democratic protest is all about. But what of those brave peace campaigners in Russia who wanted to link arms with their fellows in Britain, Europe and the United States in a genuine drive toward world disarmament? They were made it on Soviet TV. Instead, they were harried, bullied and finally arrested on trumped-up charges by Soviet security police. So much for those who would like to see Russia, too, make a gesture on nuclear disarmament.

—The Daily Express (London).

A Soviet Ultimatum?

At the top of the list of don't-knows — beyond the obvious Will Reagan run? or Will Kirkpatrick replace Clark when Clark replaces Baker? or Will a draft-Kennedy movement stampede the Democratic Convention? — is a dagger that the Russians have left lying on the table. Months ago, anticipating their own rejection of Ronald Reagan's interim arms control offer, the Russians let it be known that the deployment of any intermediate-range U.S. missiles in Europe would be answered by the emplacement of similar weapons near U.S. shores. That is no small threat.

If the Soviet threat means that they intend to deploy cruise missiles with nuclear warheads in Cuba, that would surely upset the strategic balance. Are the Russians serious about that ultimatum? Will Mr. Reagan blink and back down at the prospect of a confrontation? We don't know.

—William Safire in The New York Times.

FROM OUR APRIL 5 PAGES, 75 AND 50 YEARS AGO

1908: Police Attack Anarchists

NEW YORK — Banned by the Mayor's order from leading a meeting in Turner Hall, in Paterson, New Jersey, local Anarchists went to the office of the "Question Sociale" and attempted to meet. Fifty policemen rushed into the printing office, clubbed the men out of the building and dispersed them in the streets. No resistance was offered. Police action was the indirect result of the suppression of the paper at the instance of President Roosevelt. The publisher had rented Turner Hall for a meeting of protest, but the proprietor returned the money. Citizens in the street watching the dispersal were ordered into their homes. The proprietor of "Question Sociale" said the suppression was worse than to Russia or Italy.

1933: Airship Down, 75 Die

NEW YORK — The giant navy airship Akron, regarded as the safest dirigible ever sent into the air, went to its doom to a violent electrical storm off the New Jersey coast shortly after midnight last night with a loss of 74 of the 77 officers, men and guests. Four survivors were picked up from a wind-whipped sea a few minutes after the ship dove into the sea, 25 miles off Barnegat Light, but one of them died en route to the Brooklyn Navy Yard hospital. The giant ship, equipped with every known safety device, including an elaborate system to guard against lightning, crashed into the sea after fighting severe electrical storms for more than three hours in an effort to return in Lakehurst, New Jersey.



1957: Unless We Soon Start

THE central problem of our time, as I view it, is how to employ human intelligence for the salvation of mankind. It is a problem we have put upon ourselves.

For we have defied our intellect by the creation of such scientific instruments of destruction that we are now in desperate danger of destroying ourselves. Our plight is critical, and with each effort we have made to relieve it by further scientific advance we have succeeded only in aggravating our peril.

As a result we are now speeding inexorably toward a day when even the ingenuity of our scientists may be unable to save us from the consequences of a single rash act or a lone reckless band upon the switch of an uninterpretable missile.

For 12 years now we have sought to stave off this ultimate threat of disaster by devising arms which would be both ultimate and disastrous. This irony can probably be compounded a few more years, or perhaps even a few decades. Missiles will bring anti-missiles; anti-missiles will bring anti-missiles. But, inevitably, this whole electronic house of cards will reach a point where it can be constructed no higher.

At that point we shall have come to the peak of this whole incredible dilemma into which the world is shoving itself. And when that time comes there will be little we can do other than to settle down uneasily, smother our fears, and attempt to live in a thickening shadow of death.

Should this situation come to pass, we would have but one single and thin thread to cling to. We call it rationality or reason.

We reason that no government, no single group of men — indeed, not even one willful individual — would be so foolhardy, so reckless, as to precipitate a war which would most surely end in mutual destruction.

This reasoning may have the benefit of logic. But even logic sometimes goes awry. How can we assume that reason will prevail to a crisis when there is ordinarily so little reason

General of the Army Omar Bradley delivered this address at St. Alban's School in Washington on Nov. 5, 1957. He was then 64, a few months short of retirement from active service. The speech attracted little attention but was preserved for posterity in I.F. Stone's Weekly. Gen. Bradley died in 1981.

among men? To those who would take comfort in the likelihood of an atomic peace to be secured solely by rationale and reason, I would recall the lapse of reason in a banker under the Reich Chancellery in Berlin. It failed before it can fail again.

Have we already gone too far in this search for peace through the accumulation of peril? Is there any way to halt this trend — or must we push on with new devices until we inevitably come to judgment before the atom? I believe there is a way out. And I believe I have acquired in my lifetime a decent respect for human intelligence.

It may be that the problems of accommodation in a world split by rival ideologies are more difficult than those with which we have struggled in the construction of ballistic missiles. But I believe, too, that if we apply to these human problems the energy, the creativity and the perseverance we have devoted to science, even problems of accommodation will yield to reason.

Admittedly, the problem of peaceful accommodation in the world is infinitely more difficult than the conquest of space, infinitely more complex than a trip to the moon. But if we will only come to the realization that it must be worked out — whatever it may mean even to such sacred traditions as absolute national sovereignty — I believe that we can somehow, somewhere, and perhaps through some as yet undiscovered world thinker and leader, find a workable solution.

I confess that this is as much an article of faith as it is an expression of reason. But this, my friends, is what we need, faith in our ability

to do what must be done. Without that faith we shall never get started. And until we get started, we shall never know what can be done.

If I am sometimes discouraged, it is not by the magnitude of the problem, but by our colossal indifference to it. I am unable to understand why — if we are willing to trust in reason as a restraint on the use of a ready-made, ready-to-fire bomb — we do not make greater, more diligent and more imaginative use of reason and human intelligence in seeking an accord and compromise which will make it possible for mankind to control the atom and banish it as an instrument of war.

This is the real and indeed the most strenuous challenge to man's intellect today. By comparison with it, the conquest of space is of small significance. For until we learn how to live together, until we rid ourselves of the strife that mocks our pretensions of civilization, our adventures in science, instead of producing human progress, will continue to crowd it with greater peril.

We can compete with a Sputnik and probably create bigger and better Sputniks of our own. But what are we doing to prevent the Sputnik from evolving into just one more weapons system? And when are we going to muster an intelligence equal to that applied against the Sputnik and dedicate it to the preservation of this satellite on which we live?

How long — I would ask you — can we put off salvation? When does humanity run out? If enough of us believe strongly enough in the ability of intelligent human beings to get together on some basis of a just accord, we might somehow, somewhere, in some way and under some auspices make a start on it.

Unless we soon get started, it may be too late. We can't sit around waiting for some felicitous accident of history that may somehow make the world all right. Time is running against us, and it is running against us with the speed of a Sputnik.

The Washington Post.

1983: It Is Time We Started

By Flora Lewis

PARIS — No matter why he said it, President Reagan's glimpse of a future in which space-based defense would rule out atomic offense touches an irresistible hope.

There is a natural yearning to grasp at even the thought that the world can somehow emerge from the age of atomic dread. If there is a chance, why not seize it?

But for the new technology to help solve rather than just complicate the dilemma, we must start thinking about the post-atomic age.

There was much thinking when the atomic bomb was devised. The world was at war. The goal was to get it first, before Hitler did, and force an end to the war. Afterward, President Truman made one bold attempt to turn the demonic knowledge from any further military use. That was the Baruch plan in 1946.

It was a top secret, but in fact there were no atom bombs in existence at the time. The two United States had made during the war had been dropped on Japan, and the third was to be tested at Bikini Atoll. President Truman sent Bernard Baruch to offer the Russians U.S. know-how under an international atomic agency for peaceful uses, with a ban on all atomic weapons.

Franklin Lindsay, accompanied by the top Soviet official in the United States, the United Nations assistant secretary-general, Arkadiy Sobolev. He remembers vividly how the details of the offer were explained at length during a dinner.

Mr. Sobolev listened patiently. When he replied, it was stunning and brief. "The Soviet Union doesn't want equality. The Soviet Union wants complete freedom to pursue its own aims as it sees fit." Mr. Lindsay recalled him saying.

So the race began. The doctrine of deterrence evolved later, then gradually the ideas of flexible response, balance, stabilization, mutual assured destruction.

The strategy was invented to go with the weapon, not the weapon in response to a felt strategic need. The idea of inventing a defense is the other way round.

There are many objections, apart from the scientific questions of whether a perfect defense would ever be possible, whether it couldn't be countered in some way, whether a missile defense would not work against low-flying or shorter-range weapons. It would give no protection against maverick leaders or terrorists bent on sneak attack. Above all, as Mr. Reagan said, the danger was being terribly increased if one side believed it had both a defense and the power to destroy the other.

The time for an imaginative leap of policy is now, before the technology exists. Recalling Harry Truman's proposal, America should offer now in share with the Russians this next stage of the scientific search for a means to back away from the brink. If both are proceeding toward safety at the same pace, the arms race might at last be reversed to a race for peace.

The president did show some awareness in his interview with reporters last week that one day a new idea could arise. When the time comes that a defense is achieved, he said, the president "could follow any one of a number of courses."

"He could offer to give that same defensive weapon to [the Russians] to prove to them that there was no longer any need for keeping these missiles. Or with that defense, he could

say to them, 'I am willing to do away with all my missiles. You do away with all of yours.'

Mr. Reagan was asked about "a joint venture" in the search for a defense from outer space, already going on. "I have to tell you I haven't given that any thought. That's something to think about and look at," he said.

Indeed it is. Even if the scientists found that changing mutual assured destruction to mutual assured defense was technically impossible, both sides would then know it at the same time, saving not only billions but the risk of fatal miscalculation about the other's capacity. There is no way the United States could demonstrate more compellingly that its true goal is peace and security for all.

What would Moscow answer? Almost surely not what Stalin said through Mr. Sobolev. The world, including Moscow, has learned a lot since those early secretive days about the mysterious force in the atom.

But we can't know until we ask. Some will say the thought is breathlessly audacious, that the techniques are too far away to foresee, where such a plan might lead. A first step can be taken now to help test intentions and ease suspicions.

Sensors Jackson, Nunn, Warner and Hart, an unlikely combination, have a proposal for a joint U.S.-Soviet surveillance center to watch unexplained phenomena and make sure neither side is the state of an attack. If the president would ponder it, he would see that this could lead to a cooperative effort for a missile defense.

Soviet and American astronauts have worked together in the sky. Can we start working together on Earth now to unthink the doomsday that has become all too thinkable?

The New York Times.

The Freedom Party

Regarding "About the Sovietophobia Threat and Its Cure" (H.T., March 26) by Stephen F. Cohen:

How unfortunate that in his article Prof. Cohen contributes to what he seeks to eliminate. His recommendation that the United States recognize the Soviet Union as a "legitimate power" is as irresponsible as the thinking that fueled the neo-conservative crowd led by Molyneux, Jackson and Podhoretz, which contributed to the failure of SALT-2 and lends a semblance of intellectual respectability to the Reagan administration.

LETTER TO THE EDITOR

Prof. Cohen would do well to recall the traditional American view that governments derive their legitimacy from the freely given consent of the governed. The Soviet Union may be a fact of life with which we must live; détente may be the most rational response to that fact, and SALT-2 and the Nitz proposals may be positive, but we can never be true to the American vocation and call the Soviet empire legitimate.

In neither Russia nor the satellite states is there consent of the governed, and thus neither in Moscow, Budapest, Prague, Warsaw nor elsewhere in the camp of Soviet total-

itarianism can there be legitimacy. It can never be a valid response to lose sight of those values which make America what it is. There are respectable grounds for opposing the hysteria that Prof. Cohen deplores, and for reason in our relations with the Soviet Union (see for example the second volume of Henry Kissinger's memoirs or much of the writing of George Kennan), but there must be no misperceptions as to what the Soviets are or what America ought to remain — the standard bearer of liberty, the freedom party.

ROBERT ROSENSTOCK
Vienna.

Reagan's 'Vision'

A Path Toward Cooperation

STANFORD, California — On March 23 President Ronald Reagan in a few thoughtful phrases denied the generally accepted idea that there is no defense against nuclear weapons.

A wide range of good and ingenious technical plans, ranging from simple to extraordinarily complex, challenge the widespread opinion that practical defense cannot be obtained. Mr. Reagan wanted to know a vast number of details. He asked questions of his science adviser, George Keyworth, and of many other scientists, myself included. He then decided that something must and can be done. He has asked the cooperation of America's scientists to this beneficial effort.

The conversion from mutually assured destruction to mutually assured survival is what Mr. Reagan wants. It would benefit not only America's children and those of its allies, but also children in the Soviet Union. If high technology can be used for this purpose, fear will be replaced by an atmosphere in which America will no longer need to worry about the consequences of sharing technical applications with anyone. Real cooperation, the best basis for peace, will become more probable.

—Physicist Edward Teller in The New York Times.

A Dangerous Misconception

YORKTOWN HEIGHTS, New York — President Reagan's question "Wouldn't it be better to save lives than to avenge them?" does not go far enough. Far better than saving some unknowable number of the 150 million or more Americans who might die in a nuclear war is saving all of them by preventing that war, through deterrence of aggression by promise of retaliation. The president notes that "this approach to stability through offensive threat has worked." It will continue to work if we do not continually denigrate its effectiveness because we long for an alternative, because we want to justify military expenditures or because we are in love with technology.

We should accept the reality of deterrence by threat of retaliation, make a strong effort to reduce the number of warheads from some 20,000 on each side to 1,000 each, and seek a total ban on nuclear tests. We need a ban on all weapons to space and on aggression against satellites. The Reagan initiative on space-age defense is likely to go the way of his early choice of individual super-hardened silos for survivable basing of the MX missile. But it is a far more dangerous misconception.

—Physicist Richard L. Garwin in The New York Times.

What Are These Beam Weapons?

LOS ANGELES — What are these beam weapons that President Reagan has announced that America will be working on? And why have the Soviets been so quick to denounce them?

An orbiting satellite must produce a proper beam, powerful enough for the job but one that stays well focused and does not spread out or lose energy by being absorbed in the upper atmosphere. It must not wiggle or be deflected off course by the Earth's magnetic field. It must hit the enemy missile and stay focused on it while the beam-carrying satellite and the enemy missile fly at speeds of thousands of miles per hour. It must be aimed to an accuracy of perhaps three feet, over a distance of thousands of miles. If it makes even a near-hit, it will do nothing.

This is a tall order, and we are far from being able to achieve it. Yet it is not so long since nuclear-tipped missiles themselves were beyond our capabilities. Mr. Reagan has announced a stepped-up program of research, and therein lies the shrewdness of his decision.

For research is relatively cheap. Yet, for the billion or so dollars that America will be spending annually on beam-weapon research, it stands to achieve some significant gains. What it really will be doing is matching its scientific research, in which it has unparalleled strength, against the brute force of the Soviet's missiles. In this contest of cleverness, the Soviets will be at a disadvantage. They will be forced to divert money and talent into matching beam-weapon work, seeking to develop their own beams as well as countermeasures. This competition will play to U.S. strength in microelectronics.

—J.A. Happenheimer, an associate fellow of the American Institute of Aeronautics and Astronautics, writing in the Los Angeles Times.

An Anti-Nuclear Shield to Share

NEW YORK — There is a genuine appeal in the direction President Reagan proposes to take for a new generation of weapons. Those of us who for more than two decades have felt that the doctrine of mutual assured destruction enshrined by Robert McNamara was a grave strategic and moral miscalculation should take heart at an appeal to the scientific-military community to come up with a weapons system aimed at destroying not human life but agents for the destruction of human life.

I would counsel the president to offer to share with the Soviet Union, or indeed with any other country that asks for it, the fruits of our research. There could be no evidence more compelling of our resolution never to strike first than to give to the enemy the means to protect himself from any such strike. Assuming that the dream were realized, we will see the United States acquiring a shield against nuclear attack and the Soviet Union acquiring an identical shield. What would then be useless is: nuclear weapons.

—Syndicated columnist William F. Buckley Jr.

The Alchemists Must Be Stopped

WASHINGTON — The strategic logic of the Reagan administration will not make nuclear weapons obsolete, as promised. All that ballistic-missile defense will make obsolete is deterrence — which, in this fallen nuclear world, is all we have.

Laser beams and particle beams will solve nothing. It is proposed that ballistic missiles be destroyed in flight. They cannot be destroyed without being detonated. They will be detonated either in the atmosphere or in the air. If they are detonated in the atmosphere, the ecology will be laid waste, although the cities may still stand. Since lasers travel at the speed of light, it is more likely that they will destroy the missiles in the air, and not very high in the air. If they are detonated in the air, there will be an air burst. An air burst over Moscow, and Moscow will no longer stand. An air burst over Washington, and Washington will no longer stand. In either case retaliation will follow.

Are we the slaves of the sciences, or their masters? Solly Zuckerman, for years an adviser to the British government on nuclear science and strategy, has referred to the physicists and engineers of the nuclear regime as "the alchemists of our times." Ballistic-missile defense is just more alchemy. If it is not stopped, we will have suffered a failure of the political institutions of which we are proud.

—Leon Wieseltier, author of the forthcoming book "Nuclear War, Nuclear Peace," writing in the Los Angeles Times.

Technical Solutions Won't Do

WASHINGTON — In June 1980, Geng Biao, the senior defense official of the People's Republic of China, visited the United States. On Mr. Geng's Sunday afternoon arrival, President Carter, who was about to watch "The Empire Strikes Back" in the White House projection room, suggested I bring Mr. Geng to meet him. The group watched laser beams, death rays and spaceship destruction on the screen. Afterward I told Mr. Geng that this equipment was not yet ready for consideration for U.S. forces, let alone transfer to the People's Republic.

What a change in three short years! President Reagan now offers "a new hope for our children in the 21st century," based on directed-energy weapons, including nuclear weapons, laser beams, particle beams and all the panoply of Darth Vader and Luke Skywalker.

But these are serious matters. And the prospects for a technical solution to the problem of preserving modern society in the face of an actual thermonuclear war — whether that solution calls for anti-ballistic laser systems in space, elaborate civil defense schemes or combinations of these with counterforce capability — seem to me to be very poor.

—Former Defense Secretary Harold Brown in The Washington Post.

Diversion From Internal Trouble?

MILWAUKEE — I served as an assistant to a group of political leaders who had developed the art of distinguishing between substantive reality and airy rhetoric in presidential messages. They had some effective rules of thumb; one that I have never known to go wrong was to examine the presidential words to determine whether they merely stated goals or proposed practical steps to reach those goals. By that test, it is hard to put much weight on President Reagan's March 23 speech.

He did not ask for an appropriation. He did not grant specific authority to anyone in the government to act. He did not call for the creation of any new agency. But why then did Yuri Andropov react so vehemently? One cannot help but wonder whether there are strains in Soviet society that are difficult for Mr. Andropov to manage. It would not be the first time that the leader of a nation had conjured up external threats to distract the people from internal problems. Is it possible that the Soviet Union has even greater economic problems than it has admitted?

There is, of course, another explanation for Mr. Andropov's seemingly overdone outrage. Perhaps he is seized on the opportunity to use bellicosity as a bargaining instrument to be used in negotiating some kind of deal. If we assume that our leaders are intelligent and mature men, one of two conclusions follows: Either both men are angling for diversions from internal troubles, or both are employing extremist language as starting points or as a cover for serious negotiations. I hope it is the latter.

—George E. Reedy, who was press secretary to President Lyndon Johnson, writing in the Los Angeles Times.

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International Herald Tribune, 181 Avenue Charles de Gaulle, 92000 Neuilly-sur-Seine, France. Telephone 747-1265. Telex 612718 (Herald). Cable Herald Paris.

Directeur de la publication: Walter N. Tobias

Gen. Mgr. Asia: Alan Leong, 24-24 Hennessy Rd. Hong Kong. Tel. 5-285618. Telex 61170.
S.A. capital of 1,200,000 F. RCS Nanterre B 5320212A. Comptes Paraires No. 34231
U.S. subscriptions: 1236 words. Second-class postage paid at New York City, N.Y. 10101.
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Prohibition Ends in New Delhi Indians Can Now Legally Drink in Public Places

The Associated Press
NEW DELHI — For the first time in years, Indians can now legally drink alcoholic beverages in public places in the capital. The government officially ended prohibition on April 1.
Indians here had to wait one more day for their liquid libation because the first day of each month is still a "dry day" when no alcohol may be sold or served.
The end of the era came quietly.
"You'd think they would be celebrating," said a Westerner surveying the half-empty Bar Bar super club at the Maurya Sheraton Hotel, one of the more popular night spots in town.
"It doesn't look like it, does it?" replied the manager of the hotel.
India began moving toward total prohibition in 1977 under the Janata government of Prime Minister Morarji Desai, an abstainer. More and more days each month were declared "dry." The liquor licenses of private clubs in New Delhi, a federally administered territory, were not renewed.
Indians lost the right to drink in hotel and restaurant bars. Foreigners, who mostly paid their bills in hard currencies, were exempted.
The process generally was reversed when Prime Minister Indira Gandhi returned to office in January 1980. Gujarat and Tamil Nadu states remain dry, however, while Bombay became "wet."
Now, however, every Tuesday is no longer a dry day, nor is the second Saturday of each month.
A year ago, on April 1, 1982, the government repealed the regulation against private clubs here serving liquor and began reissuing licenses. Crowds of well-dressed men and women material-

ized around the copper-topped bar at the famed Gymkhana Club and other elegant remnants of the British Raj.
New Delhi has no public "bars" as such, and the new "wet" regulation applies only to hotels and restaurants that have bars.
Ravi Dubey, general manager of New Delhi's posh Taj Mahal Hotel, said he expected the change to bring in more business. It will encourage local Indians to entertain out rather than at home, for example.
In the past, the hotel has had to tell Indians they could not be served liquor even though the foreigners in their party could drink as much as they wanted. "A lot of embarrassing situations will be avoided," Mr. Dubey said. But the new regulation is unlikely to start a stampede by thirsty Indians to their favorite watering hole.
Most service establishments have long turned a blind eye to the "no-Indians" rule, particularly since Mrs. Gandhi's return to power and the gradual liberalization of the regulations.
Also, Indian taxes on alcoholic beverages are high, and are reflected in the retail price. The Taj Mahal charges 60 rupees (\$6) for a "large" mixed drink. Prices in Bombay and Calcutta, India's main port cities, can be twice that.
The average Indian worker earns just over 1,500 rupees a year, the government reports.
On April 1, the government also doubled the price of a liquor license. For the Taj Mahal Hotel, that means an increase of from 25,000 to 50,000 rupees a year. "This is a fixed cost," Mr. Dubey said, saying he believed it would add little to the price of an individual drink.

Sale of U.S. M-1 Tanks To Saudis Is Reported To Be Set at 1,200

By Richard Halloran
New York Times Service

WASHINGTON — The number of M-1 Abrams tanks to be sold to Saudi Arabia under a long-range plan being developed by the Reagan administration has been put at 1,200, according to defense and congressional officials.
The officials also say that some of the tanks would be used by U.S. troops if they were deployed there in a crisis.
They cautioned that the plan to sell the most modern of U.S. tanks to Saudi Arabia was in an early stage and would take several years to negotiate and arrange for production. The plan also reportedly includes the sale of Bradley armored troop carriers.
A Pentagon spokesman said no firm request had been received from Saudi Arabia. The administration's intention to sell tanks to Saudi Arabia has been reported before, but the size of the program being developed had not been made public.
[A Pentagon official denied Monday that the United States was considering selling 1,200 M-1 tanks to Saudi Arabia or stationing tanks there for use by U.S. forces. Reuters reported from Washington. He called press reports of such a planned sale "nonsense."
[But the official said the United States did plan to send a small number of the tanks to Saudi Arabia, at Riyadh's request, to demonstrate their ability to operate in the desert.]
A crew of 18 Saudi tank soldiers began training on the Abrams tank two weeks ago at Fort Knox, Kentucky, a U.S. Army spokesman said Friday. That training will take 6 to 10 more weeks, with some Saudi Arabians also being trained in maintenance.
The program at Fort Knox, the army's center for armor training, is a prelude to a demonstration of several M-1 tanks in the Saudi desert scheduled for this summer, the arm's spokesman said. After that has been evaluated, officials said, negotiations are expected to start.
The officials suggested that beginning in 1985, about 400 of the tanks would start replacing 200 older French tanks and 150 M-48 U.S. tanks now in the Saudi forces. Later, they said, more tanks would be shipped to Saudi forces, with some for possible U.S. use.
In that case, the Saudi Arabians would get an advanced model of the Abrams tank armed with a 120mm gun instead of the 105mm gun on the current model. The new gun, developed in West Germany, will be made under license in the United States for M-1 tanks starting in 1985.
Israeli officials, who have repeat-

edly protested previous U.S. arms sales to Saudi Arabia, have already expressed in private their opposition to the potential tank sale.
Israel's supporters in the United States say they will vigorously oppose the plan if it develops, as they lobbied against the sale of AWACS early-warning radar planes to Saudi Arabia in 1981.
Congress has the authority to veto arms sales abroad, including any such sale of the Abrams tanks.
Former officials who served in the Carter administration said that under U.S.-Saudi military sales agreements in force since the mid-1970s, Washington has been selling Saudi Arabia arms and building military installations, like the naval base at Jubail, in excess of Saudi needs or ability to operate.
Reagan administration officials said that any new accord on a sale of Abrams tanks would serve to improve ties with Saudi Arabia, which Defense Secretary Caspar W. Weinberger considers to be a potentially valuable ally in the Middle East.
Moreover, the officials said, selling the tanks would be a form of positioning heavy weapons in the region for potential use by the U.S. Central Command, the new name for the Rapid Deployment Force.
Should the U.S. forces be sent to Saudi Arabia, their heaviest weapons, which are difficult to transport, would already be there. The main U.S. interest in that region is to prevent or repel a Soviet move on the Iranian or Saudi oil fields.
Military analysts suggested that the number of tanks, above those that could be put to use by the Saudi Army, would be enough to equip three U.S. mechanized divisions.
The Reagan administration has made access by Western industrial nations to Gulf oil a priority second only to preventing a Soviet invasion of Western Europe, according to the new Defense Guidance issued to the armed forces by Mr. Weinberger on March 1. That directive set the Pentagon's strategy for the next five years.
The directive instructs U.S. armed forces, by the end of this decade, to improve their "capabilities to project, operate and sustain forces" in the Gulf region.



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In 1951, U.S. Considered Sending Nationalists to Chinese Mainland

The Associated Press
WASHINGTON — In one of the darkest periods of the Korean War, U.S. military leaders in 1951 considered moving 100,000 to 150,000 Chinese Nationalist troops from Taiwan to the Chinese mainland.
But the action, which would have lifted restraints on Generalissimo Chiang Kai-shek's forces, was never approved.
The disclosure was among several hundred hitherto secret papers made public Saturday by the State Department. Two volumes of declassified documents totaling 2,080 pages covered U.S. relations with China and Korea in the critical war year of 1951.
General Omar N. Bradley, chairman of the U.S. Joint Chiefs of Staff, reported to General George C. Marshall, the secretary of defense, that "until a solution is found for our major differences with Communist China, we should continue to safeguard Formosa [Taiwan]."
General Bradley said, "We do not envision an invasion of China by U.S. troops, even in the event of a full-scale war."
However, the Nationalist forces on Formosa constitute the only visible source of manpower for extensive guerrilla operations and a possible invasion of the mainland.

In another document, the Joint Chiefs estimated it would take two months to assemble enough excess World War II cargo, coastal and other vessels to transport Nationalist troops to the mainland, where an estimated 700,000 bandits, guerrillas and other dissidents were said to be operating.
The Nationalists had undergone extensive training, but inept leadership and poor living conditions posed a question of morale, the study said.
A Soviet decision to engage in open war with the United States, the Joint Chiefs advised the National Security Council, "will be predicated on the Soviet concept of the proper time to do so," and it added that the timing "may be hastened or delayed by the removal of current restrictions on Nationalist China."
"Asian people will be reluctant to take sides," the Joint Chiefs predicted. Successful action would bring a favorable reaction from them but little material aid.
India could be expected to condemn any overt action against China. Hong Kong could be used by Beijing to encourage differences between the United States and Britain on China policy.
A "national intelligence esti-

mate" prepared by the Central Intelligence Agency cautioned that Western countermeasures against China would make Beijing more dependent upon the Soviet Union for economic and military support.

2 U.K. Ministers Seen Losing Jobs

The Associated Press
LONDON — Two senior cabinet ministers, William Whitelaw, who is the home secretary and deputy prime minister, and Francis Pym, the foreign secretary, will be replaced if Prime Minister Margaret Thatcher wins the next general election, The Times of London predicted Monday.
It said both "are aware that they face replacement" by Mrs. Thatcher's "own men." Mr. Whitelaw and Mr. Pym are critics of the government's strict monetary policies.
The Times said Mr. Whitelaw would be moved to the House of Lords and replaced at the Home Office by Cecil Parkinson, who is now chancellor of the Duchy of Lancaster. Mr. Pym can expect to be replaced by Sir Geoffrey Howe, the chancellor of the Exchequer, it said.

Climbers Die Near Seoul

Reuters
SEOUL — Seven South Korean students died Sunday in snowstorms that began suddenly as they climbed a mountain north of Seoul, police said Monday.

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Experts Say Polish Recovery Plan Is Likely to Harm the Economy

By John Kifner
New York Times Service

WARSAW — Poland's three-year recovery plan has little prospect of easing the nation's severe economic crisis, experts here believe, and is likely to make things even worse.

One of the major difficulties, Western diplomats and Poles say, lies with new tax measures that will discourage the most productive part of the economy, especially the private farmers who grow more than three-quarters of Poland's food.

"Exactly the people they say they are trying to encourage, they are likely to discourage," said a Western diplomat specializing in economics.

"This plan is nonsense," added a disgruntled member of the Sejm, the nation's parliament. The Sejm has received the plan and is to vote on it at some point, although the government of General Wojciech

Jaruzelski is putting some of the measures into effect now.

The Polish economy is afflicted with an array of troubles that include shortages of imported raw materials and consumer goods, which result in high prices for most of the population and leave well-paid segments, such as farmers and miners, with little incentive. In addition, there is the staggering debt to the West, the effect of sanctions imposed in response to martial law and a sullen, resentful work force.

Much of the trouble is the result of the government's efforts at economic reform. When a program was introduced to make way for younger workers by encouraging early retirement, 550,000 senior workers jumped at the chance. A certain amount of freedom granted to managers resulted in an inflationary spiral of prices and wages without increased production.

And experts say the three-year

program's goal of increasing productivity will be undermined by these circumstances, particularly a lack of raw materials and hard currency to buy them. The shortage of workers and a system of distribution so inefficient and corrupt that everything from books to automobiles is subject to black-market schemes.

Deputy Prime Minister Janusz Obodowski, the head of the government's planning commission, told the parliament when he presented the plan that its primary goal was to feed the nation.

Under the program, reliance on imported foods is to be reduced, with an additional 250,000 acres (100,000 hectares) of grain to be planted.

But grain production is not the problem. Indeed, farmers are holding on to stocks of grain, selling to the government only half the five million tons it asked for last year. The reason is that the currency they can earn is all but worthless in an economy with little to buy.

The taxes called for under the three-year program, experts here believe, threaten to make the private farmers even less productive. The specific form of the taxes is not clear, but there appear to be several elements: a land tax, a general income tax and a tax on specialized farms that concentrate on large single crops.

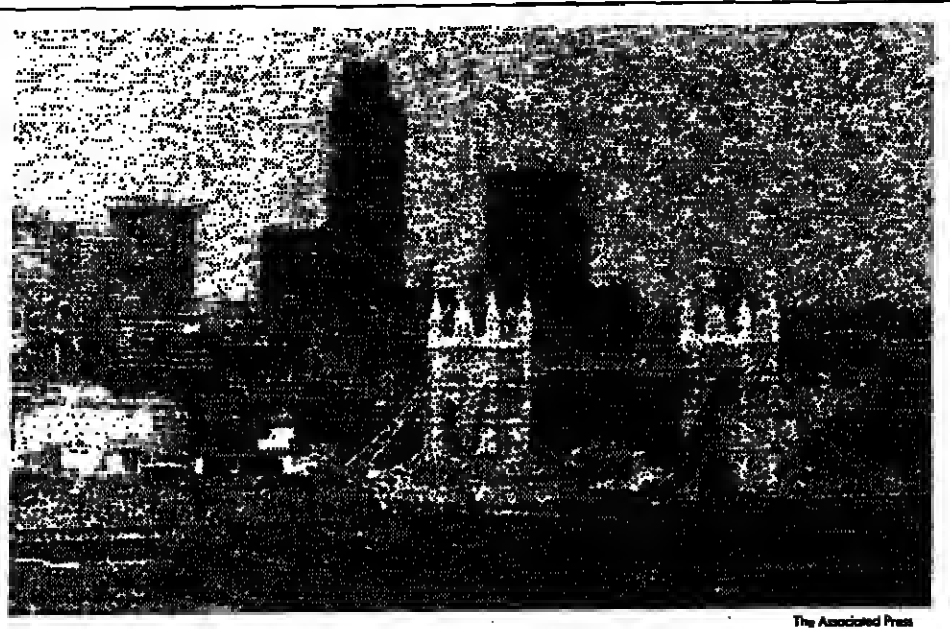
The proposals for new taxes promise to spread distress not only to farmers but also to the thousands of small-business operators, shop owners, repairmen and restaurateurs who form the backbone of the private service economy.

The plan envisages the compiling of complete records of income by the end of 1984 — a chilling thought in a country where nearly everyone gets along by beating the system — and a new tax plan for private business people and craft workers.

The plan also calls for luxury taxes on vacation homes, on trips abroad and on large cars, color television sets and hunting rifles.

The government also plans to stop the practice whereby workers received the first chance to buy the fruits of their industry. In one example of this, local newspapers reported recently that three-quarters of the imported motorcycles at one distribution place and all of the wine at another were bought before they left the warehouse.

Indeed, the system had evolved to the point where factories and enterprises were swapping blocks of goods — trading television sets for hams, for example. The government recently issued an order banning all such barter between industries.



TOWERS PAST AND PRESENT — London's Tower Bridge is dwarfed by skyscrapers that have sprouted in the City financial district as land prices have risen.

Arafat, Hussein Continue Talking As Diplomatic Activity Increases

United Press International

AMMAN, Jordan — King Hussein of Jordan and the Palestinian leader, Yasser Arafat, held their third straight day of talks Monday on President Ronald Reagan's Middle East peace plan. A Palestinian official said the two would issue a joint statement.

A spokesman for the king said he could not confirm that a statement would be made but did not rule it out.

Mr. Arafat failed Sunday to give the king a go-ahead for joint negotiations with Israel — a setback for Mr. Reagan's plan, which calls for a Palestinian entity on the Israeli-occupied West Bank under Jordanian administration.

At the same time, there was stepped up diplomacy by the Palestine Liberation Organization in Amman as the Arafat-Hussein talks were taking place.

Some members of the PLO's executive committee met Sunday evening, and a higher Jordanian-Palestinian political committee met to draft a statement. The committee was formed in December to explore possible joint action toward a peace settlement.

Four pro-Syrian members of the executive committee arrived Monday for a full meeting of the body. Syria has opposed any PLO-Jordanian move toward a Middle East settlement.

In Washington, Larry M. Speakes, a White House spokesman, said the United States wanted "to move forward in the peace process," and added, "We would like

to involve Hussein." Mr. Speakes said "it is our understanding" that the Arafat-Hussein meetings "are continuing."

There was no immediate comment from the Jordanian monarch's palace after Mr. Arafat said Sunday that the PLO remains committed to the Arab League peace plan, which differs fundamentally with Mr. Reagan's proposal.

The PLO chairman called for a new summit where "everything will be discussed." He added, "I am fully committed to what the Arabs decided, and the Arabs have decided on the peace plan at Fez."

The plan adopted at the Arab League summit in Fez, Morocco, calls for the creation of an independent Palestinian state and recognizes the PLO as the Palestinian people's sole representative.

The Jordanian newspaper Al-Naba' close to the government, said Monday that Mr. Reagan had telephoned King Hussein to promise a

freeze on Israeli settlements on the West Bank and the Gaza Strip as an inducement for him to join peace talks.

Mr. Reagan also told the king that the United States "has other alternatives to pressure Israel for the achievement of a just peace," the newspaper said.

President Hosni Mubarak of Egypt flew to North Korea from Peking on Monday on the second leg of an 11-day Asian tour. In China, Mr. Mubarak urged the Palestinians to let Jordan represent them in negotiations with Israel.

King Hussein has yet to accept a role in the U.S.-led process, indicating he would not negotiate without PLO and Arab support to avoid alienating Arab allies.

Meanwhile, in Beirut, the radio of the Lebanese Christian militias said an explosion ripped through a residential building in an Israeli-controlled town just south of the capital, killing or wounding a undetermined number of people.

World's Poor Nations Open Beijing Meeting

The Associated Press

BEIJING — A conference on solving problems of the world's poor nations opened here Monday with the accusation that "the world's resources are being squandered in the name of the security of the rich."

Shridath Ramphal of Guyana said that, amid what may be the worst economic crisis since the 1930s, "the superpowers, like modern warlords, are frolicking on the margins of apocalypse, or so at any rate it seems to most of mankind."

He is co-chairman of the "South-South" conference, which is focusing on strategies for economic development, negotiations with the developed nations of the "North,"

and greater cooperation among nonindustrialized countries.

"The military alliances of East and West," Mr. Ramphal said, "are engaged in a contest for international supremacy that has lost not only its sense of proportion but any semblance of rationality."

The other co-chairman, Huan Xiang, adviser to China's Academy of Social Sciences, told the nearly 70 Third World scholars in attendance: "The levers of international economic power still are in the hands of a few developed nations and are being used to harm the interests of the Third World nations."

Prime Minister Zhao Ziyang of China told the conference that attainment of development goals in nonindustrialized nations required "the fundamental restructuring of the unjust and inequitable old international economic order."

Mr. Zhao urged the nonindustrialized nations to "put forward some urgent and feasible projects through full consultations in the spirit of seeking common ground" and to coordinate actions in "various forums of North-South negotiations."

Mr. Ramphal praised China's role "in developing a Third World consciousness" and said China can do more "to ensure that the Third World does not always come third."

8 Die in China Air Crash

Reuters

BEIJING — Eight persons died Monday when a light plane leased by the French Total Oil Co. crashed shortly after taking off from Guangzhou Airport.

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Iran Rejects Iraqi Cease-Fire Offer

Compiled by Our Staff From Dispatches

BAHRAIN — Iran turned down Monday an Iraqi offer of a limited cease-fire to allow repair crews to stop the spread of an oil slick that threatens the food, water and power supplies of Gulf nations.

It said Iraq should first give safe conduct to the crews, which are standing by to cap two damaged offshore platforms.

Ali Shams Ardakani, Iran's ambassador to Kuwait, said here that Iraq should retract a war communiqué in which it said ships close to the leaking Iranian wells would be military targets.

Drinking water was selling in Bahrain for \$60 a barrel — twice the price of light crude oil. In Qatar, the price of mineral water shot up to \$145 a barrel before the government intervened and set the price at \$38.50 a barrel.

Mr. Shams said that all the damage to the Iranian wells had been caused by Iraqi military action, with attacks on Jan. 27, Feb. 11 and March 2.

Other reports have said one well was damaged accidentally by a ship and another by Iraqi military action.

the zone of naval mines," the spokesman said.

Experts at the University of Petroleum and Minerals in Saudi Arabia estimate that 150,000 barrels of crude oil have spread over an area 240 miles long and 30 miles wide (386 kilometers by 48 kilometers).

The slick was reported 80 miles from Bahrain on Sunday night, and both in Bahrain and in neighboring Qatar, measures were being taken to protect water desalination and power plants. A "light layer" of oil washed up on Qatar's beaches on Friday and Saturday.

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Morocco and Algeria Ease Rules on Travel

The Associated Press

ALGIERS — Algerian residents of Morocco and Moroccan residents of Algeria will be allowed to travel freely between the two countries beginning Thursday, officials of both nations announced Monday.

It will be the first time unrestricted travel has been allowed for such residents since Morocco and Algeria broke diplomatic relations seven years ago over the war in the Western Sahara. Morocco is fighting Polisario Front guerrillas for control of the desert, while Algeria has backed the rebels.

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ARTS / LEISURE

Uncorking Old Wine For New Connoisseurs

By Frank J. Priol
New York Times Service

NEW YORK — Some years ago, the story goes, Philippe de Rothschild, the owner of Chateau Mouton-Rothschild in Bordeaux, was entertaining a notably aggressive wine writer — we'll call him George — at the chateau. A steward appeared for instructions on lunch. "What shall we drink?" Baron Philippe said, more to himself than to anyone else.

The scribe was ready. "You know," he said, "it's been years since I tasted the 1874."

Without missing a beat, Baron Philippe nodded his head and smiled sadly and said, "It's not a luncheon wine, George. It's not a luncheon wine."

Most of us will go through life never drinking anything much older than our mortgages. But what about the old wines, the rare wines, the so-called great wines? What happens to them? Who does drink them?

Michael Broadbent, the wine specialist from Christie's in London, tells about his first attempt to separate an enormously wealthy British nobleman from parts of his wine cellar. After only a brief exchange, the collector relented. "Might as well," he said with a shrug. He grumbled on: "Can't find enough people worth opening a double magnum of '55 Lafite for anyone."

Broadbent, who spends a good part of his life scrambling into dank spaces looking for the ultimate bottle, indicated that this particular collector had quite a few double magnums of 1855 Lafite on hand. It is the kind of discovery that keeps Broadbent going, but it does not necessarily mean more good wine for the masses, or even for knowledgeable enthusiasts.

It is a sad commentary on the wine world, but it is probably safe to say that a large proportion of the most famous wines are drunk by people who really couldn't care less. As any Washington retailer can confirm, embassy parties account for endless cases of fine wines destined for the throats of national and international leaders and their acolytes, a group not always conspicuous for oenophilic sensibilities.

In the spring of 1980 I found myself at an elegant party in the winery at Chateau Lafite. The occasion was the Fête des Fleurs, an annual party that marks the beginning of the grape-growing and wine-making season in Bordeaux. Each year the party is held at a different chateau. As is their wont, the

Rothschilds tried to give a party to outdo all parties, with Lafite wines to match.

Several hundred people were there, including a large contingent of Paris society, another group no one has ever accused of being overeducated about wine. No matter. The double magnums of Lafite, from distinguished vintages, were opened as fast as the waiters could get to them. There is this to be said for such largesse: The people who really know the wine could drink their fill; everyone else was on the dance floor.

Having to offer great wines can be a burden to people in the wine business. In Bordeaux it is considered a great compliment to a chateau owner or shipper to offer him a bottle of his own wine. Once, at Mouton, I saw Philippe de Rothschild serve a neighbor a bottle of the neighbor's 1945. The man was astounded.

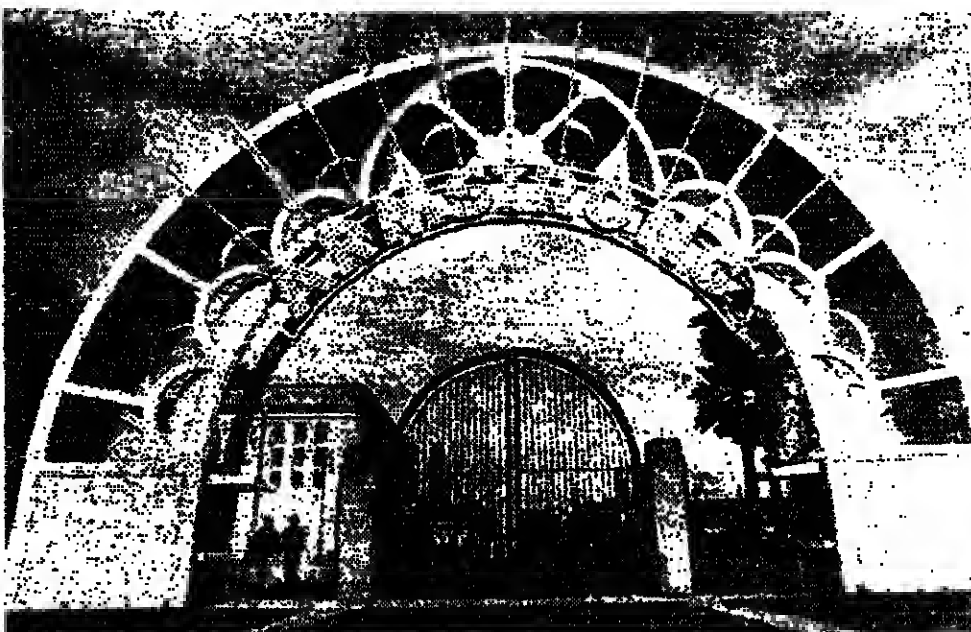
"I haven't had a bottle of this in 15 years," he said, "and the chateau has been out of it for at least 20 years." Later I learned that he found a case of his '45 in his car when he left. Only a Rothschild makes that kind of gift.

Only a Rothschild can. Lesser chateau owners have to resort to subterfuges to stretch their precious bottles and still have something to offer the endless stream of agents, importers, resellers and journalists who visit. There is one ploy that can be used only on rank amateurs and, even then, only occasionally, because the word gets around.

"We're going to try something unusual tonight," the host would blandly announce. "I wanted you to see what superb wines we make here, even in off years." There follows a succession of mediocre vintages that might include '63, '65, '68 and '72, four of the poorest in recent times. One level up would be '67, '69, '73, '74, '77 and '80, years that produced good, even very good, wines but rarely first-rate ones.

Burgundians have an even tougher time because their production is so much smaller and the demand for it proportionately stronger. Californians have a special problem: For years the wine makers were hit annually with a floor tax, a levy based on their inventories. To beat it they struggled to sell everything they made as soon as possible.

The result was extremely meager stocks of old wine, even from the vintages that had been around long enough to accumulate good cellars.



An entrance to Louis Armstrong Park. Didn't it ramble?

New Orleans: Satchmo's Blues

By Frances Frank Marcus
New York Times Service

NEW ORLEANS — If jazz was not born in the neighborhood, it is the place where it came to life. That is what the neighborhood people say about the Tremé section of New Orleans, just outside the French Quarter, where the great black musicians here developed their art.

The jazz tradition still lives in Tremé (pronounced tree-may). Small boys still pound on cardboard boxes for drums and parade through the streets, just as older musicians did when they were young. But much of the neighborhood was destroyed with federal urban renewal funds more than 20 years ago. Eight blocks of historic Creole cottages and music halls, as well as other community structures, were leveled.

For years the city has been searching for a way to develop the 32-acre Louis Armstrong Park, with its statue of Satchmo, built at a cost of \$12 million on the neighborhood rubble in the 1970s after the city abandoned its plan to build a cultural center like New York's Lincoln Center. Its maintenance is a drain on city finances.

The city administration has chosen a group of investors to develop and manage the park. The Armstrong Park Corp. wants to build an entertainment center in the park, similar to Nashville's Grand Ole Opry, Baltimore's Harborplace or Disneyworld's Epcot Center in Florida. He began promoting the idea of developing the site that way and eventually prevailed over a group of pa-

trons and jazz entertainment, plus three hotels.

Sooner after this plan was announced, the neighbors in what was left of Tremé organized. In the opinion of Jerome Smith, a community organizer who lives on the border of Tremé, the proposed development poses "many dangers."

"The main problem has to do with displacement," he said. "The second issue is how the park is going to assist in the economic and cultural stability of the neighborhood. My main concern is what is going to happen with the families in the neighborhood when the speculators begin to swarm in. Most cities don't tend to fulfill their moral responsibility when that is in conflict with the cash register."

The park was originally a compromise. After a third of the neighborhood was leveled in the late 1950s, the city scaled down its plan for a grand cultural center to one building, the Theater of Performing Arts, which opened in 1973.

It soon ran into difficulty. Patrons complained of parking problems, muggings and fire slashings. Now the theater needs repairs. It was recently abandoned by the New Orleans Philharmonic Symphony Orchestra, which now performs in the renovated Orpheum on Canal Street downtown.

In the debate over the rest of the land, Moon Landrien, then the mayor, was inspired by a trip to the Tivoli Gardens in Copenhagen. He began promoting the idea of developing the site that way and eventually prevailed over a group of pa-



Statue of Satchmo.

trons of the arts who wanted a parking lot.

The Louis Armstrong Park, planned by a young architect, Robin Riley, to accommodate a New Orleans Tivoli, with knolls, lagoons and a fountain, was opened with fanfare in 1980.

Despite the spectacular landscape, the park has not been a success. A high iron fence limits access. An occasional tourist strays in through a festive arch on Rampart Street, but, except for an occasional event, the park is used mostly by small boys, in warm weather. They and their bicycles shower in the water spout.

Community organizers say the park does not appeal to the neighborhood people, who prefer to socialize on the sidewalks, in the streets and barrooms.

Though the city administration has chosen a corporation to develop the park, the 60-year lease must still be approved by the City Council. The corporation hopes to get approval in time to complete part of the center before the World's Fair opens in May 1984.

Film: A Greek Underworld

By Kerin Hope
The Associated Press

ATHENS — A film that uncovers life in Greece's homosexual underworld has earned critical acclaim this season and some of the biggest box-office returns in movie history here.

But many Greeks — and an estimated one Greek in 20 has seen the movie — said they were shocked by the film's exploration of the homosexual strand that runs through Hellenic culture.

"Angelos," based on a real-life criminal case, is the first full-length feature directed by George Katacuzenos, an Egyptian-born Greek who worked as assistant director on more than 60 movies shot in Greece and abroad. "I wasn't making a gay movie or a movie that just wanted to shock," he said in an interview. "Angelos" is about innocence betrayed.

Winner of the best film award at the Salónica film festival last fall, "Angelos" had respectful reviews at the Chicago festival last November and may be screened at Cannes this year. The "angel" of the title is a sensitive young man from a poor family living in a squalid Athens suburb. He escapes from a drunkard father and invalid sister by falling in love with a sailor. The sailor persuades him to become a transvestite prostitute, one of dozens who wait for homosexual and bisexual customers at night along the highway to Athens airport or around the steep streets behind the fashionable Kolonaki square in the city's center.

Eventually, after a humiliating encounter with a truck driver who leaves him bruised and unconscious on a garbage pile, Angelos goes home and slits his sleeping lover's throat.

"I read about the case when I'd just come back to Greece after several years abroad," Katacuzenos said. "I was horrified that everyone regarded the young man as a monster. No one tried to understand how he'd been used."

With its realism and thriller's pace, "Angelos" has no parallel in Greek moviemaking, which usually offers cheaply produced comedies or avant-garde work that has little appeal for the average filmgoer. Most theaters in Greece offer subtitled imports from the United States or elsewhere in Europe.

"People didn't want to risk money on a film with such an explosive theme," Katacuzenos said. "The picture took three years to make because we kept running out of funds."

Eventually it was finished with aid of a grant from the Greek government film center, which has tak-

en on new life since the actress Melina Mercouri became the Socialist government's culture minister.

Katacuzenos used a cast of almost unknown actors. He wrote the script, directed and edited himself. Angelos is played by Michael Maniatis, a 30-year-old musician and radio producer who had never acted before.

"The transvestite prostitutes who appear in the film are playing themselves. They wanted to take part because they thought they'd win a little understanding," the director said.

Katacuzenos reveals a Greece that tourists rarely see: the ugly industrial outskirts of Athens, lit by brilliantly harsh winter light, and the garish nighttime world of the prostitutes' bars.

Critics in Greece and abroad praised his delicate handling of the relationship between Angelos and the sailor who exploits him. "I wanted to be honest, to reveal on more and no less than in any other kind of love story," he said. "I tried to make people react to something that's wrong in Greece today, the social intolerance that still prevails."

U.S. Movies in Brief

CAPSULE comments on recently released U.S. films:

Francis Ford Coppola's latest film, "The Outsiders," based on the book written by S.E. Hinton when she was 17, tells the story of two rival groups of adolescents in the mid-1960s. When someone is accidentally killed to death, Ponyboy Curtis (C. Thomas Howell) and Johnny Cade (Ralph Macchio) are forced into hiding in an abandoned church in the country. Sheila Benson says, "By and large, kids who love the book are going to settle in comfortably with the film. The question remains for the rest of us: Is Coppola's style bigger than his material?"

"Max Dugan Returns" tells the story of Nora McPhee (Marsha Mason), a poor schoolteacher who lives with her teen-age son Michael (Matthew Broderick) in a shack in Venice, California. Her father, Max Dugan (Jason Robards), who deserted Nora years ago, appears on the doorstep one rainy night carrying two suitcases filled with money. He has only a few months to live — and he spends them trying to buy off Nora. Janet Maslin of The New York Times writes, "Neil Simon's original screenplay is fast and buoyant, and Herbert Ross's direction shows off the abundant jokes to the best possible advantage."

Terry Jones' "Monty Python's Meaning of Life," takes an acerbic look at life from birth to old age. Geriatric accountants make young computer users walk a typewriter-plank to their doom; a joint parody of "Oliver!" and "Annie" satirizes religion and birth control. Sheila Benson of the Los Angeles Times writes: "Monty Python's 'The Meaning of Life' is a high-water mark in the group's progress. This is a social satire of a very high

order, not quite Swift, perhaps, but very fast indeed, and pungently and acidly observed."

"The Black Stallion Returns," directed by Robert Dalva, is based on one of Walter Farley's novels for children. It picks up the story of young Alec Ramsay (Kelly Reno), a few years after the end of the first film, "Black Stallion." Ramsay's horse is stolen by Arab horse thieves and taken to the Sahara. Vincent Canby of The New York Times writes, "It is funny, unpretentious and fast-paced. He (Kelly Reno) and all the other members of the cast act as if they were having a picnic, recreating the simple, straightforward pleasures of a pre-World War II B-movie."

Richard Rosenthal's "Bad Boys" is about a teen-age delinquent (Sean Penn) sentenced to reform school after killing a young boy. Janet Maslin of The New York Times writes, "'Bad Boys' is a suspenseful movie, but it's also an extremely brutal one. It begins with someone's brains splattered on a wall, and ends with a particularly bloody battle. In between, there's a lot more of the same."

Brian G. Hutton's "High Road to China," set in the Roaring '20s, is about a rich young woman (Bess Armstrong) who hires a former World War I pilot (Tom Selleck) and two old biplanes to look for her lost father. During the film, which turns out to be a cross-continental air chase from Turkey to China, they are captured by an evil sheikh (Brian Blessed). Vincent Canby of The New York Times writes, "Only one action sequence — when Armstrong and her employees escape from the wicked sheikh — has the style and humor missing from the rest of the movie."

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Sweden.....	S.E.	990	495	270
Switzerland.....	S.P.	320	160	90
Rest of Europe, North Africa and former French Africa, U.S.A., S. France, Polynesia, Middle East, S.	S.	256	128	71
Rest of Africa, Canada, Latin America, Gulf States and Asia.....	S.	264	132	72
		352	176	96

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Index	High	Low	Close	Change
30 Ind	1125.2	1123.0	1123.0	-2.2
Ind Comp	567.2	565.7	565.7	-1.5
Ind Util	154.8	154.6	154.6	-0.2
Ind Trans	451.0	450.5	450.5	-0.5

Standard & Poor's Index

Index	High	Low	Close	Change
Composite	1125.2	1123.0	1123.0	-2.2
Utilities	154.8	154.6	154.6	-0.2
Transport	451.0	450.5	450.5	-0.5

Odd-Lot Trading in N.Y.

Index	Buy	Sell	Short	Comps
March 31	207,781	43,228	1,217	1,217
March 30	207,781	43,228	1,217	1,217
March 29	207,781	43,228	1,217	1,217
March 28	207,781	43,228	1,217	1,217

Market Summary, April 4

Market Diaries

NYSE Stock Index

Index	High	Low	Close	Change
NYSE	1125.2	1123.0	1123.0	-2.2
AMEX	567.2	565.7	565.7	-1.5

AMEX Most Actives

Symbol	Price	Change
CVX	28.12	+0.12
IBM	112.00	-0.25
GE	28.12	+0.12

NYSE Most Actives

Symbol	Price	Change
IBM	112.00	-0.25
GE	28.12	+0.12
CVX	28.12	+0.12

Dow Jones Bond Averages

Index	High	Low	Close	Change
10Yr	102.12	102.00	102.00	-0.12
30Yr	101.12	101.00	101.00	-0.12

NYSE Index

High Low Close Change

Index	High	Low	Close	Change
NYSE	1125.2	1123.0	1123.0	-2.2

NYSE Most Actives

Symbol	Price	Change
IBM	112.00	-0.25
GE	28.12	+0.12
CVX	28.12	+0.12

Monday's NYSE Closing Prices

Tables include the nationwide prices up to the closing on Wall Street.

12 Month	High	Low	Close	Change
IBM	112.00	111.75	111.75	-0.25
GE	28.12	28.00	28.00	-0.12
CVX	28.12	28.00	28.00	-0.12

12 Month

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Baldrige Sees Improvement

United Press International

WASHINGTON — Commerce Secretary

Malcolm Baldrige predicted Monday that U.S. unemployment and interest rates will go down by the end of the year as the economy gains strength.

Mr. Baldrige, appearing on an early-morning television program, did not say how low he expected interest rates to go. But he did say that "the pressure on pushing them down this year is going to be more than on pushing them up, so we could see lower interest rates at the latter part of the year."

Unemployment, now at 10.3 percent, should be down to about 9 percent in the last quarter, Mr. Baldrige said.

But he said interest rates and unemployment would go down only if Congress has "the political will and courage to bring down the budget deficits as the administration has proposed."

Mr. Baldrige also defended the administration's order placing import tariffs on motorcycles. "We have fair trade laws on the books that we think ought to be enforced," he said. "Our whole motorcycle industry has been wiped out. There's just one company left."

If the measures were not taken, he added, "We're going to see quotas put on by the Congress on a whole range of products that would really be protectionist."

(Continued on Page 10)

When you're trading with an increasingly important market, you need the finest bank to look after your interests on the spot.

And when the market is Turkey that means Interbank, Turkey's leading wholesale bank.

Founded in 1888 as Banque de Salonique, we've specialized since then in import-export finance — now Turkey's fastest-developing economic sector.

Some 1982 examples: Interbank financed 20% of Turkey's oil imports from North Africa.

We recently handled the two largest UK's covering transit exports from West Germany and the UK through Turkey to the Middle East.

And we are one of two Turkish banks participating in the largest guarantee-facility syndicate for Turkish contractors in Saudi Arabia.

We're strong. We're growing fast. We're highly profitable. And we work mainly with the top 100 companies and government agencies in Turkey.

Our outstanding financial results are a reflection of our high-volume transactions and low overheads.

Interbank's internationally-qualified staff are always available by phone or telex, and are ready to travel at short notice.

When you're doing business with Turkey, Interbank is your natural and best possible banking partner.

When you're doing business with Turkey, only one bank makes you feel this close.

Some key Interbank figures as of June 30 1982:

Total Deposits: TL 30,483,736,000

Total Assets: TL 47,085,899,000

Shareholders' Equity: TL 1,801,511,000

Share Capital increased to TL 4,000,000,000

(TL 1,375,000,000 paid up at June 30 1982)

INTERBANK

THE TURKISH BANK FOR INTERNATIONAL TRADE

ADVERTISING

INTERNATIONAL FUNDS

April 1, 1983

The net asset value of each fund is shown below. Funds listed with the exception of some funds whose values are based on issues prices. The following information is provided for informational purposes only. It is not intended to be a recommendation to buy or sell any fund.

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TUESDAY, APRIL 5, 1983

Statistics Index

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COMMODITIES

By H.J. MAIDENBERG

U.S. Optimism Over PIK Plan Tempered by Export Outlook

NEW YORK — The depressed farm-futures markets suddenly came to life early last month in a burst of price gains, volume and open interest. The reason is that a surprisingly large number of U.S. farmers have signed up for the government's payment-in-kind program, which is aimed primarily at reducing the huge grain surpluses and bolstering farm prices.

Under the program, farmers will receive cash, crops they have pawned to the government, or a combination of both in exchange for tilling part or all of their acreage this season. Agriculture Secretary John R. Block reported that farmers of 81 percent of the 230 million acres (93 million hectares) normally planted in the major crops such as grains, soybeans and cotton had signed up.

Small wonder then that in the past month May corn futures have soared to \$3.13 a bushel, from \$2.89, in Chicago. May wheat has jumped to \$3.60, from \$3.29, and the same soybean delivery to \$6.37, from \$5.89 a bushel. Each one-cent move in grain and soybean futures represents \$30 for each contract of 5,000 bushels. Initial cash margins for speculators in all three markets run about \$600 a contract.

Impressive as the rebound in the grain and soybean futures markets has been, the question now is whether the rally will be sustained. Based on interviews and the reports of leading farm-market analysts, the consensus is that prices will remain strong this season.

One notable exception, however, was Emil S. Finley, managing director of ACLI International Commodity Services, and president of one of the leading fertilizer-exporting companies, International Commodities Export.

"With all due respect to the Agriculture Department, their clever payment-in-kind program alone will not sustain or raise farm prices," Mr. Finley said. "Prices will rise this season only if exports rise, and from where we sit, that doesn't seem very likely this year."

Exports Have Lagged

Normally, Americans only consume about 45 percent of the wheat produced in the United States each year, and half the soybeans and 75 percent of the corn that is grown. Because many foreign customers of U.S. farm produce lack dollars or, as in the case of the Soviet Union, deliberately shop elsewhere for grain and oilseeds, exports have lagged.

To offset the resultant poor market prices, U.S. farmers, aided by good weather, have produced record crops, which have become record surpluses, much of it pawned with the government under the Commodity Credit Corp. crop-loan programs.

Meanwhile, dollar-strapped foreign customers have mounted strong efforts to increase domestic food production, often more as a means of earning hard currencies than as a means of feeding their populations. Their efforts have been helped by the greatly increased supplies of fertilizers and other farm chemicals now being produced for the first time in the Middle East oil-producing lands as well as from such new suppliers as Brazil.

Although Mr. Finley's company exports fertilizers and other farm chemicals, he closely monitors domestic use because, as he noted the other day in his office in White Plains, New York, sales of these products have long been the best indicators of what farmers plan to do, rather than what they tell the government they will do.

What Fertilizer Sales Mean

Domestic fertilizer sales have told Mr. Finley this season that many farmers, including those who have signed up for the payment-in-kind program, have bought ample supplies of these chemicals. His explanation:

"Farmers who signed up can drop out of the program anytime up to July 1, and many are expected to do so if prices remain at or rise from current levels in the next few weeks and, equally important, if they believe most other farmers will not produce this season."

Those selling fertilizers to the domestic market are also benefiting from the fact that farmers who have only agreed to idle part of their acreage will greatly increase applications of farm chemicals on the rest of their land.

"Nitrogen is about the only fertilizer that is not selling well domestically," Mr. Finley said, "and this tells us many grain growers, particularly in the Corn Belt, will concentrate on soybeans, a crop that produces its own nitrogen. After all, corn growers normally use soybeans as a rotation crop and there is no burdensome surplus of these oilseeds."

Still, the only factor that cannot be determined is the weather in the United States or abroad, he cautioned, adding: "As usual, spring weather will also determine what many farmers will plant as well as whether they plant."

The New York Times

CURRENCY RATES

Interbank exchange rates for March 31/April 4, excluding bank service charges.

	U.S.	DM	FF	£	Y	S	Sc	DK	N
Amsterdam	2.3735	1.484	112.45	163.78	17.42	5.673	131.29	16.48	136.76
Berlin	2.3735	1.484	112.45	163.78	17.42	5.673	131.29	16.48	136.76
Frankfurt	2.3735	1.484	112.45	163.78	17.42	5.673	131.29	16.48	136.76
London	1.0000	0.6306	4.7564	1.4937	166.37	136.76	16.48	136.76	136.76
Paris	1.4845	1.0000	6.5595	1.4833	166.37	136.76	16.48	136.76	136.76
Stockholm	1.4845	1.0000	6.5595	1.4833	166.37	136.76	16.48	136.76	136.76
Switzerland	1.4845	1.0000	6.5595	1.4833	166.37	136.76	16.48	136.76	136.76
West Germany	1.4845	1.0000	6.5595	1.4833	166.37	136.76	16.48	136.76	136.76
Yokohama	1.4845	1.0000	6.5595	1.4833	166.37	136.76	16.48	136.76	136.76
Osaka	1.4845	1.0000	6.5595	1.4833	166.37	136.76	16.48	136.76	136.76
Tokyo	1.4845	1.0000	6.5595	1.4833	166.37	136.76	16.48	136.76	136.76
London	1.0000	0.6306	4.7564	1.4937	166.37	136.76	16.48	136.76	136.76
Paris	1.4845	1.0000	6.5595	1.4833	166.37	136.76	16.48	136.76	136.76
Stockholm	1.4845	1.0000	6.5595	1.4833	166.37	136.76	16.48	136.76	136.76
Switzerland	1.4845	1.0000	6.5595	1.4833	166.37	136.76	16.48	136.76	136.76
West Germany	1.4845	1.0000	6.5595	1.4833	166.37	136.76	16.48	136.76	136.76
Yokohama	1.4845	1.0000	6.5595	1.4833	166.37	136.76	16.48	136.76	136.76
Osaka	1.4845	1.0000	6.5595	1.4833	166.37	136.76	16.48	136.76	136.76
Tokyo	1.4845	1.0000	6.5595	1.4833	166.37	136.76	16.48	136.76	136.76

INTEREST RATES

Eurocurrency Deposits Mar. 31/Apr. 4

	1m	3m	6m	12m	18m	24m	36m	48m	60m
100	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
250	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
500	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
1000	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00

Key Money Rates

	Close	Prev.	1m	3m	6m	12m	18m	24m	36m	48m	60m
United States	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
Japan	5.25	5.25	5.25	5.25	5.25	5.25	5.25	5.25	5.25	5.25	5.25
West Germany	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50
France	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75
Italy	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00
Spain	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00
Sweden	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
Denmark	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00
Netherlands	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
Belgium	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
Portugal	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00
Greece	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00
Spain	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00
Italy	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00
France	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00
Germany	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00
Japan	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00
United States	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00

GOLD PRICES

	A.M.	P.M.	C.M.
London	414.00	414.00	414.00
New York	414.00	414.00	414.00
Paris	414.00	414.00	414.00
Frankfurt	414.00	414.00	414.00
Stockholm	414.00	414.00	414.00
Osaka	414.00	414.00	414.00
Tokyo	414.00	414.00	414.00
Yokohama	414.00	414.00	414.00
London	414.00	414.00	414.00
Paris	414.00	414.00	414.00
Frankfurt	414.00	414.00	414.00
Stockholm	414.00	414.00	414.00
Osaka	414.00	414.00	414.00
Tokyo	414.00	414.00	414.00
Yokohama	414.00	414.00	414.00

N.Y. Prices Lower in Slow Trade

Compiled by Our Staff From Dispatches
NEW YORK — Prices on the New York Stock Exchange closed lower Monday amid concerns that the Federal Reserve may be taking a more restrictive stance on monetary policy.

The Dow Jones industrial average fell 8.31 points in morning trading but changed direction and was off only 2.42 points, to 1,127.61, at the close. Declines led advances 3 to 2 and volume slumped to 66 million shares from 100.57 million Thursday. The slowdown indicated that the institutions that dominate NYSE trading were inactive. The market was closed Friday.

The Dow, which fell 13.26 points Thursday, lost 10.06 overall last week but gained 83.49 points in the first quarter, which ended Thursday.

Analysts said Friday's report that U.S. banks had borrowed more from the Fed than they had on deposit for the week that ended March 30 raised fears that the central bank was tightening up its policy.

U.S. banks had net borrowed reserves of \$81 million, compared with the prior week's net reserves of \$84 million. Thomas Thomson, economist with Crocker National Bank, said the borrowed reserves could be confirmation of a Fed move to become slightly less accommodating. He said the Fed might be aiming for a federal funds rate closer to 9 percent than the 8 1/2 percent at which the rate has hovered in recent weeks.

The market began its retreat late Thursday after some short-term interest rates rose following a surge to 10 1/2 percent in the federal funds rate. That rate, charged on overnight loans between banks, is often a pace setter for other market rates. On Monday it rose as high as 9 1/2 percent from an opening of 9 percent.

But Continental Illinois trimmed its broker loan rate to 10 percent two business days after boosting the charge to 11 percent, indicating that there was no full-fledged move upward in interest rates.

Analysts said there was little selling pressure and nothing in the news to make investors want to buy heavily, though there was some selective buying.

Michael Metz of Oppenheimer & Co. said that generally investors were turning cautious and that there was a "fair chance that a significant correction in the market could be starting." He questioned whether even higher first-quarter corporate earnings this week would help the market. "Higher earnings have already been taken into account," he said.

Oil stocks were active for the second consecutive session. Several analysts recommended energy stocks last week after Britain proposed a small price cut that might prevent an oil price war.

Technology stocks, which have been leaders in the long rally, were among the weakest issues Monday. Stan Weinstein, an influential market analyst, said the technology group looked vulnerable and issued sell recommendations on more than 20 such stocks.

Some losers in the group included Storage Technology, off 1 1/2 to 20 1/2. M/A-COM 1 1/2 to 23 1/2. Honeywell 1 1/2 to 23 1/2. Prime Computer 1 1/2 to 41 and Motorola 1 1/2 to 10 1/2.

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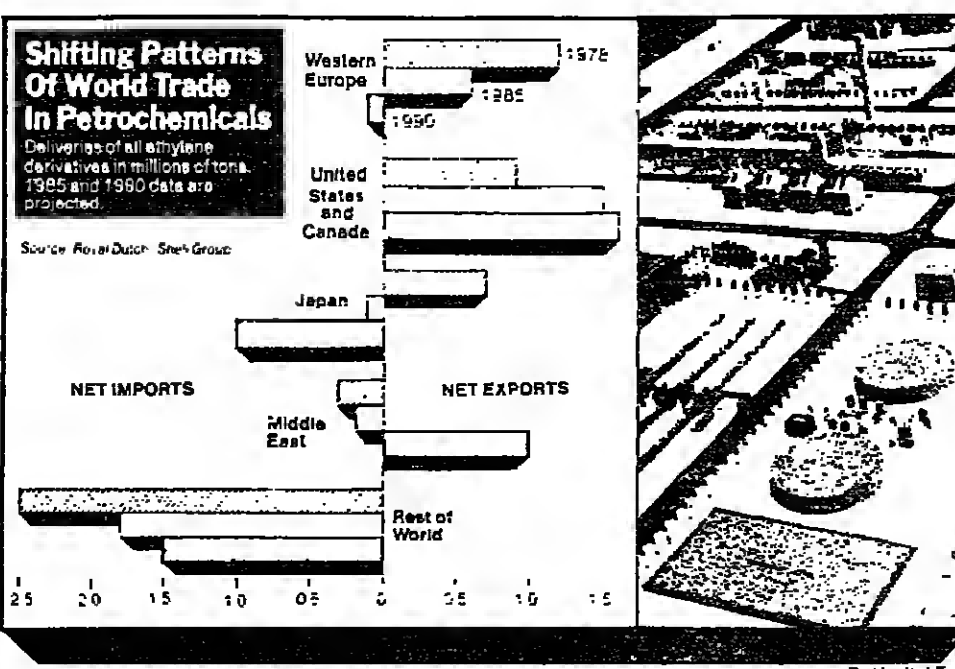
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Petrochemicals Face Tough Time Despite Decline in Crude Prices

By John Tagliabue

BONN — The international petrochemical industry, despite the recent decline in crude-oil costs, continues to be hurt by huge overcapacity and a decline in demand that has hit prices hard.

The \$5-a-barrel drop in the base price of the Organization of Petroleum Exporting Countries for crude oil is expected to bring some relief as the cost of raw materials and energy declines. But the industry's leaders continue to worry, for several reasons.

For one thing, new petrochemical plants are scheduled to come on stream in the Middle East and Canada in the next few years. Because they will be close to oil sources, their costs will be lower than those of their competitors. As a result, they will be able to offer their products at lower prices.

Also, the growth of demand for consumer products derived from petrochemicals, ranging from plastic shopping bags to tires, is expected to slow in coming years. The list of natural materials to be substituted by petrochemicals is growing shorter and overall economic growth rates have been shrinking.

"The OPEC decision was only an adjustment to existing realities," said Matthias Seefelder, chairman of BASF, the world's third-largest chemical company. Noting that a continuing oversupply of petrochemicals had virtually wiped out profits, he said the initial result of lower oil prices would be "to simply take some slack."

In recent months OPEC's disunity and the recession caused the industry to anticipate price decreases for oil-derived feedstocks, said Herbert Grünwald, chairman of Bayer, the fourth-ranked petrochemical

company. "Indeed, if the price of crude sticks at \$29 a barrel, you can reckon with slightly increasing prices on the market for oil products."

In fact, dealers said prices for some petrochemical products were rising last week. The spot price of ethylene, a petrochemical building block used to produce fibers and plastics, rose slightly, to \$495 a ton, and butadiene, used to make synthetic rubber, increased sharply, to \$670 a ton, the dealers said.

But dealers at BP Chemicals, a unit of British Petroleum, said the prices rose because the products were in short supply as a result of technical production problems in Europe and increased demand from the United States, where inventories were run down for tax purposes.

Prices for other products, however, have continued to drop. In Rotterdam, the spot price of naphtha, essentially unrefined gasoline used as a raw material for plastics, hit a low of \$249 a ton last week after \$277 in February. The price of propylene, for making plastics, fell slightly to \$370.

"The price of a barrel of oil will buy you more petrochemicals than a barrel of oil can produce," one dealer said.

Nevertheless, industry analysts say that, however prices turn in the short term, the industry faces formidable problems.

"The industry failed to adjust to conditions," said Stewart Walmsley, an analyst at W. Greenwell & Co. in London. "It went through a high growth period, inflation and low growth rates, and it's gone on investing in greater capacity."

The problem of overcapacity has become particularly acute.

(Continued on Page 11, Col. 4)

U.S. Futures Prices

Open High Low Close Chg

Open	High	Low	Close	Chg
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April 4

Financial

April 4 | **Highs and Lows** | April 4

**Nippon Elec.
Nippon Steel
Nippon Yusen**

U.S. High Court

... in

577	16%	16½	16%	
71	63%	62½	63	+ ½
92	12½	12	12½	

114	35	34%
168	47½	45%
178	32½	32
241	52½	52½

April, 1983

4,500,000 Shares

Common Stock

L. F. ROTHSCILD, UNTERBERG, TOWBIN

BEAR, STEARNS & CO.

CHARTERHOUSE JAPHET plc

ALEX. BROWN & SONS DILLON, READ & CO., INC.

GOLDMAN, SACHS & CO.

MAN BROTHERS KUHN LOEB

C. SMITH BARNEY, HARRIS UPHAM & CO.

REYNOLDS INC. ROBERTSON, COLMAN & STEPHENS

MOSELEY, HALLGARTEN, ESTABROOK & WEEDEN INC.

PWOOD

ROBERT FLEMING KLEINWORT, BENSON

WOOD GUNDY INCORPORATED

BANQUE de PARIS et des PAYS BAS (SUISSE) S.A.

JAMES GABEL & CO.

GREEN COMMERCIAL FINANCING

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BUSINESS BRIEFS

InterNorth Gas Line Company Discussing Merger With Belco

OMAHA, Nebraska (Reuters) — InterNorth, a natural gas line company, said Monday that it was negotiating a merger with Belco Petroleum. InterNorth said it was premature to disclose the terms being discussed, but a company spokesman said an announcement was expected by April 12, when InterNorth's board is scheduled to meet.

In February, Belco ended talks with Louisiana Land and Exploration concerning a merger, the reason was never fully explained. Louisiana Land had been considering paying about \$700 million for Belco, or about \$28 a share. Analysts have speculated that InterNorth will have to offer a slightly higher price.

Even after the end of the talks with Louisiana Land, takeover specialists considered Belco a likely candidate for a buyout, and the stock has remained strong.

Oteiba Sees Better Market by Fall

ABU DHABI (Reuters) — Mana Said al-Oteiba, oil minister of the United Arab Emirates, predicted Monday that if OPEC members obeyed the exporter group's pricing and production rules the world oil market would improve by this fall.

Last month oil ministers from the Organization of Petroleum Exporting Countries cut the base price of OPEC oil \$5 a barrel to \$29 and set an overall output ceiling of 17.5 million barrels a day.

Mr. Oteiba said that if all of 13 members kept the pact, which also assigned individual output quotas, "we will see some sign of improvement in the market in the autumn this year." He also said the OPEC Market Monitoring Committee, which he chairs, would meet April 18 in London.



Mana Said al-Oteiba

Baldwin Debt Delay Called Near

NEW YORK (Reuters) — Banks involved in the effort to refinance Baldwin-United's \$300 million of short-term debt are close to reaching a "standstill agreement" that would let the company formulate a plan to settle its debts, Max Karl, chairman of Baldwin's finance committee, said Monday.

Mr. Karl, chairman of Baldwin's MGIC Investment subsidiary, said the agreement would probably be announced Monday or Tuesday. It will cover about \$700 million of the debt involved and will defer principal payments on that debt until the company's investment bank, Goldman Sachs, develops a long-term plan, he said.

Last week the company said that its 1982 earnings would be "substantially less than the \$125 million to \$130 million previously estimated" and that the company had obtained a one-week extension on \$440 million of debt that had been due last Monday.

Japan to Protest U.S. Cycle Move

TOKYO (Reuters) — Japan will protest President Ronald Reagan's new tariffs on motorcycle imports to the United States, officials at the Ministry of International Trade and Industry said Monday. "This is virtually an import surcharge and a trade protectionism action," a ministry spokesman said.

Japanese officials said Tokyo would protest to the United States and might also bring the issue before the General Agreement on Tariffs and Trade. Mr. Reagan imposed the new tariffs after ruling that foreign competition, especially from Japan, was seriously hurting the sole U.S. manufacturer, Harley-Davidson.

U.S.-Japanese Farm Talks Urged

TOKYO (AP) — U.S. Ambassador Mike Mansfield met Monday with Foreign Minister Shintaro Abe and said that Japan should resume negotiations with the United States on imports of beef and oranges, Foreign Ministry officials said.

Mr. Mansfield said Japan had not responded to U.S. demands for higher import quotas of other agricultural products, including peanuts and tomato juice, according to the officials.

They quoted Mr. Abe as saying he would consult with the Agriculture, Forestry and Fisheries Ministry on resuming the talks, which broke down last October.

Anchor Hocking to Sell Division

LANCASTER, Ohio (Reuters) — Anchor Hocking's board has approved a plan to sell the company's glass container division to an affiliate of Weiray Corp., Anchor Hocking announced Monday.

A definitive agreement has been signed and final closing is expected to take place in late May or early June, the company said. Anchor, which produces household, hardware and packaging products, will receive \$55 million in cash and a \$13-million subordinated note, subject to adjustment based on the company's May 7, 1983, financial statements.

Company Notes

GHC Co. of Oklahoma City has completed a debt restructuring and refinancing plan for more than \$350 million.

Western Airlines of Los Angeles expects to report a first-quarter loss "substantially" above the 1982 quarter's \$6.4-million operating loss.

The Oil Economy Of Oil-less Jordan

Falling Prices Slow Development, But a Smooth Adjustment Is Seen

By Thomas L. Friedman

New York Times Service

AMMAN, Jordan — The Arab oil boom of the last decade not only fueled the unbridled growth of the Arab oil-exporting countries but also the economies of their oil-poor neighbors: Lebanon, the Yemen and Jordan all rode the crest of the Middle East oil rush.

With prices of crude beginning to tumble and the growth cycle of the producing countries shifting into reverse, what will happen to these secondary Arab economies, which since the early 1970s have enjoyed oil wealth by proxy?

Jordan probably has more riding on the answer than any nation in the Arab East. Its economy is a study in petrodollars. According to figures of the central bank of Jordan, roughly 80 percent of the money annually flowing through the Jordanian economy comes from exports to oil exporting neighbors, direct grants from these wealthy Arab states or from remittances earned by Jordanians working in the Gulf.

Jordan probably has the world's only oil-on-oil-producing oil economy," said an economic specialist with the Jordan Times. "There has never been a single drop of oil discovered in this country, but its economy is almost entirely dependent on oil revenues from surrounding states. When they hiccup in the Gulf, they get an ulcer in Amman."

At the moment the Jordanian economy is still far from ulcerating, but the downturn in oil prices has already been translated here into a virtual halt in new government development projects and an economic slowdown.

Despite the cutbacks, however, there is confidence among both private businessmen and leading government finance officials that Jordan will adjust without undue strain to reduced oil revenues.

Ironically, Jordan probably was much better placed to spend the oil wealth flowing into its economy after 1973, through Arab aid and remittances, than were the oil exporters.

"We had been active in development planning since the 1950s, long before we had oil money," said M.S. Nabulsi, governor of Jordan's central bank. "When the revenues did start flowing in we already had our economic infrastructure developed, plus a highly educated population so we could manage it efficiently."

The Jordanian economy became hooked on Arab oil revenues in the early 1970s, just as it was emerging from a Jordanian-Palestinian civil war and entering a period of unprecedented internal stability. Some 60 percent of Jordan's population of 2.3 million are Palestinian refugees, who, after having been defeated and disarmed in the civil war, seemed to turn their energies inward in a burst of economic activity that coincided with the influx of petrodollars.

Between 1974 and 1980 the Jordanian economy enjoyed an annual real growth rate of 8 to 9 percent, falling off slightly in 1981 and 1982. For a country with only 6 percent of its land arable and little to export in exports, that was no mean feat.

The key was Jordan's ability to attract Arab aid and to export to the Gulf large segments of its well-educated labor force. Although Jordan received annual grants from

Arab states in the early 1970s, they were not made formal until a meeting of Arab leaders in Baghdad in 1978. There, the wealthy Arab oil states pledged to send Jordan \$1.25 billion a year to help it man the front line against Israel and the Camp David "conspiracy."

Even more important than the grants from Arab oil states has been the \$1.5 billion that, according to central bank estimates, the 310,000 Jordanian citizens working in Saudi Arabia and the other Gulf states sent home to their families last year.

All of this, obviously, makes Jordan vulnerable to the fancies and fates of the Arab oil producers.

Jordan got its first whiff of trouble last September when King Hussein attended an Arab meeting at Fez, Morocco. Among the countries that were obliged by the Baghdad session to contribute to the Jordan aid package were Libya and Algeria, but neither paid its share. For three years, Saudi Arabia and its neighbors had made up the shortfall, aware that economic instability in Amman could hurt their own fragile internal balances.

King Hussein's government, which is highly respected by foreign bankers here for its ability to make tough economic decisions, wasted little time in adjusting to the shortfall. According to central bank sources, \$345 million in development funds was cut. But Jordan will be able to continue with existing projects, the sources said.

In addition, Jordan tested the Eurodollar market, raising \$200 million in February. The Jordanian loan was priced more favorably than one for Denmark, proof that Eurodollar lenders still have confidence in the Jordanian economy, said the Amman office director of a major American bank.

Why the confidence? Western diplomats say that it is largely because Jordan has such a well-managed economy. In a region renowned for projects that lag months, or years, behind schedule and end up costing far more than had been budgeted, Jordan is an exception.



Syrians at a Jordanian border point. Jordan imports laborers to offset 310,000 nationals who hold Gulf oil jobs.

Standby IMF Accord For Venezuela Likely

By Jose de Cordoba

Washington Post Service

NEW YORK — Venezuela will attempt to stretch out payment of at least \$9 billion of debt that falls due this year by seven to ten years, and may sign a stand-by agreement with the International Monetary Fund, according to Finance Minister Arturo Sosa Jr.

"We hope to refinance 90 percent of the short-term debt and a fraction of the long-term debt," Mr. Sosa said after he and other officials met last week with a 12-bank advisory group. According to Venezuelan government figures submitted to the bankers, \$13 billion of a total public-sector foreign debt of \$26.7 billion matures this year. Of the \$13 billion, \$10.8 billion is in short-term debt.

Venezuela recently notified banks that, with some exceptions, it would not make principal payments on more than \$4 billion of foreign debt maturing up to July 1.

The 90-day moratorium is meant to allow time to complete negotiations with bankers on the restructuring of the debt, according to Planning Minister Maritza Izaguirre.

As part of the refinancing effort, Mr. Sosa said that Venezuela probably would enter into a standby agreement with the International Monetary Fund. The IMF, which recently sent an inspection team for an annual visit to Venezuela, will present the government with its recommendations Tuesday in Caracas. Mr. Sosa previously had told bankers that Venezuela could draw on the \$1.2 billion that it holds in the IMF if the country's attempt to refinance its debt faltered.

Mr. Sosa told bankers that Venezuela expects to cope with an expected \$3-billion shortfall of petroleum revenue and a resulting balance-of-payments deficit by vastly reducing imports.

Petrochemicals Face Hard Time

(Continued from Page 9)

lately acute since 1980, when the worldwide recession further crimped demand for products already in oversupply. The European industry has made some attempts to deal with the oversupply problem, but with little effect on prices so far.

Mr. Walmsley said studies done by Greenwell show that since 1980 European petrochemical and plastics producers have shut down more than 15 percent of capacity. Roughly 25 percent of ethylene capacity has gone, about 10 percent of high-density polyethylene and about 27 percent of low-density polyethylene.

Similar cuts have been made or are planned in the United States and Japan, where capacity grew at annual rates of 25 to 30 percent in the 1960s and 1970s, when demand for chemical fibers and plastics to replace wood, cotton and wool grew at an even faster rate.

Still, some European petrochemical plants operate near 50 percent of capacity, far below the breakeven point, and industry analysts

and planners say that further deep cuts are necessary.

Etienne Davignon, the European Community's commissioner for industry, said at a recent meeting of the Chemical Industry Association's European section that "overcapacity grew to its present extent over the years because companies looked more at their competitors than at the market."

"Things had to get really tough before people were convinced that the golden age was really over," he said.

Mr. Walmsley concurred. "Now we have 40 to 50 percent overcapacity, with 1.5 to 2 percent annual growth rates of demand expected for the rest of the decade. But the whole of the industry is governed by one concept: market share."

Most analysts agree the real squeeze will come in the mid-1980s, when large petrochemical plants being built in the Middle East are completed.

By 1985, Saudi Basic Industries Corp. plans to produce two million tons a year of ethylene, much of which is expected to be shipped

abroad. Because the Saudis will break down petroleum gas, a byproduct of oil-refining that is now simply burned, analysts say that their variable costs, about 75 to 80 percent of total costs, will be roughly half those of Western European producers, including shipment to European customers.

A recent study by Shell estimated that the Middle East, led by the Saudis, would become a net exporter of derivatives equivalent to one million tons of ethylene a year by 1990, after being a net importer of 300,000 tons in 1978. The study also said that North American producers are expected to be the leading exporters of petrochemicals in the latter half of the decade.

Even if the world economy recovers, most analysts say the problems will not disappear. The market share of some products, like polypropylene, which is used to make thinner and stronger plastics than those now available, or of linear low-density polyethylene, which needs less energy to make and so is cheaper, will continue to grow, but these will displace other, older products, the analysts say.

Chapter 11 Filed By Texas General

Compiled by Our Staff From Dispatches

HOUSTON — Texas General Resources and two subsidiaries filed for protection from creditors Monday under Chapter 11 of U.S. bankruptcy law and will seek a reorganization. The subsidiaries are International Drilling Services, which does contract drilling, and Texas General Resources International, offshore financing.

Texas General Petroleum, another subsidiary, filed under Chapter 11 on March 14. Texas General Resources, an energy holding company, said its financial advisers and lawyers had advised that a reorganization would be aided by a plan to restructure the debt of the parent company and subsidiaries.

The company, which said it and the subsidiaries employ 45 persons, reported that its 1982 financial statements are expected to be available in mid-April.

Texas General said International Drilling Services had recently sold its interest in a limited partnership that owned six drilling rigs operated by International Drilling, thus greatly reducing its overhead and staff and releasing the parent com-

pany from financial guarantees of about \$12 million on debt service for the rigs.

The company said International Drilling expected an aggregate net operating loss for tax purposes, and investment tax carry-forward amounts of more than \$10 million, which could make a merger or sale of the subsidiary easier.

The unit has five drilling rigs of its own. Texas General said Underwood Neuhaus, a Houston investment banking firm, had been hired to advise on the sale or reorganization of International Drilling and its rigs.

International Drilling is in default because of missed payments to Marine Midland Bank and Manufacturers Hanover Leasing Corp., Texas General said. The company also said Texas General Resources International was not in default on any interest payments on Eurodollar subordinated debentures or subordinated Swiss notes issued in July 1981. But the parent company is the guarantor of the subordinated debt, and restructuring the debt will be a major element of Texas General's reorganization.

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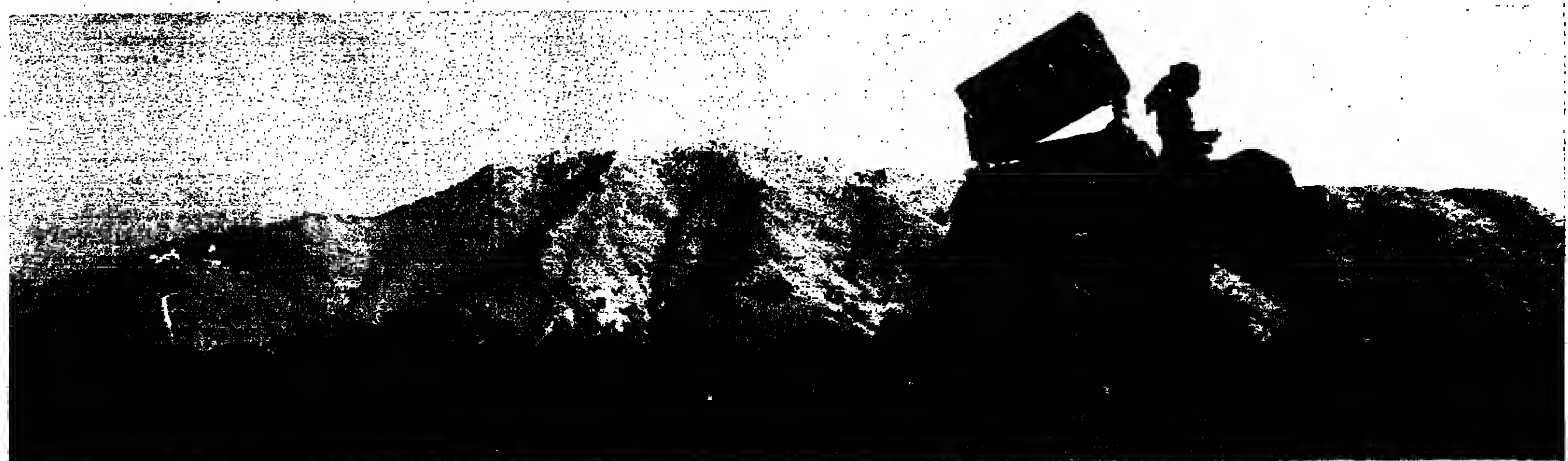
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Monday's AMEX Closing Prices

Tables include the nationwide prices up to the closing on Wall Street.

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Year	Country	Population (millions)	Urban population (millions)	Urban population (%)
1950	India	360	100	28
1950	China	550	100	18
1950	USA	150	100	70
1950	UK	55	45	82
1950	France	45	35	78
1950	Germany	45	35	78
1950	Japan	90	70	78
1950	Soviet Union	190	100	53
1950	Italy	45	35	78
1950	Spain	25	15	60
1950	Sweden	8	7	88
1950	Norway	3	2	88
1950	Denmark	2	1	88
1950	Netherlands	16	15	94
1950	Belgium	9	8	90
1950	Switzerland	3	2	90
1950	Austria	2	1	90
1950	Portugal	10	5	50
1950	Greece	7	3	43
1950	Turkey	15	5	33
1950	Iran	20	5	25
1950	China	550	100	18
1950	India	360	100	28
1950	USA	150	100	70
1950	UK	55	45	82
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1950	Austria	2	1	90
1950	Portugal	10	5	50
1950	Greece	7	3	43
1950	Turkey	15	5	33
1950	Iran	20	5	25

Vincent Scully

'It Seemed to Me That Modern Architecture Was Destroying the World,' Says Art Professor

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